

Rhode Island historical tracts.

Providence : Sidney S. Rider, 1877-[1896]

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RHODE ISLAND
HISTORICAL TRACTS.

NO. 8.



PROVIDENCE
SIDNEY S. RIDER.
1880.

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SIDNEY S. RIDER.
1879.



PRINTED BY PROVIDENCE PRESS COMPANY.

SOME ACCOUNT
OF THE
BILLS OF CREDIT OR PAPER MONEY
OF
RHODE ISLAND

FROM THE
FIRST ISSUE IN 1710, TO THE FINAL ISSUE, 1786,

BY
ELISHA R. POTTER
AND
SIDNEY S. RIDER.

WITH TWENTY ILLUSTRATIONS.

PROVIDENCE
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PREFATORY NOTE

BY

JUDGE ELISHA R. POTTER.

THIS pamphlet was first published in 1837. The subject of it was suggested by the troubles in the currency growing out of the suspension of specie payment. It was subsequently re-printed entire (with the exception of one note of two lines) by Mr. Henry Phillips, Jr., in his Historical Sketches of the Paper Currency of the American Colonies prior to the adoption of the Federal Constitution. Mr. Rider, in the present new edition, has enlarged it very much, carrying out in full many things merely cited, or referred to, in the original. He has also added from his own investigations and materials, and has illustrated it by *fac-similes* of the old paper money in his own possession, of which he has a greater collection than any one else, and of several of which he has the only specimens known to be in existence. I take pleasure in saying that he has thus made the essay of double, or even more than double, the value of the original publication.

E. R. P.

KINGSTON, R. I., October, 1879.

PUBLISHER'S PREFACE.

THE essay which forms the basis of this Tract was written by Elisha R. Potter, and printed in this city in the year 1837,¹ under the title, "A Brief Account of Emissions of Paper Money made by the Colony of Rhode Island." With the consent of its author, the publisher has extended the narrative by the addition of some details of minor consequence, yet nevertheless, such as he conceived would interest the readers of the present day. Some of these may be briefly referred to. Among them the petition of James Franklin, suggesting the printing of bills from stereotypes, instead of copper-plates, and which the Assembly "voted out." The very quaint petition of the General Treasurer, Abraham Borden, which so well sets forth his ways of business and his troubles. This might well have been supplemented by a petition presented to the Assembly, and a resolution

1. The pamphlet was in octavo form, containing forty-eight pages, twenty-six of which were occupied with the Reports of Committees, and the remaining twenty-two with the narrative proper, and the Table of Emissions and Burnings. This pamphlet has become quite scarce, and in such demand that copies, in auction sales in other cities, have realized the sum of two dollars. It contained no illustrations.

passed by them in 1757, granting a gratuity of one thousand pounds, old tenor, to Thomas Richardson, the then General Treasurer, and which the publisher ventures to append in a note.¹ The petition of Joseph Whipple, for relief from his debts is also presented. This petition has been frequently referred to in histories, but we believe, never before printed. This was the first great mercantile failure in Rhode Island. It is said to have been announced in Newport by beat of drum. Much detail has been given to the bounties offered at various times by the Colony, with a view to increase certain products, such as flax and hemp, to encourage the catching of codfish and of whales, and aid manufactures, as in the case of William Borden, for manufacturing duck. Much effort has been made to gather everything that

1. The Petition of Thomas Richardson, Gen^l Treasurer of the Colony of Rhode Island, humbly sheweth :—

That he has by close application, and the assistance of five or six expert hands, delivered out the greatest part of the Silver & Gold lodged in his hands, to exchange for Crown Point Bills, and as your hon^{rs} are likely to have a great deal of Leisure this Sessions, your Petitioner thinks it a very suitable time to take into consideration what his allowance shall be for so difficult a piece of Business, and therefore begs leave to lay before your hon^{rs} some of the circumstances of said affair.

1st. The affair was thought to be of so great consequence that no less person than his Honour the Govenor was appointed to have the care & charge of Transporting the Silver & Gold from New-York to Newport, and lodging the same in the General Treasury, where it hath been safely kept, but to the Great Hazard of the Lives of himself and Wife, his House being robbed of between three & four hundred pounds in Plate, Linen, &c. The Thieves not being able to get at what they principally sought for.

2d. The great Care, Trouble & Resque in counting out the Silver & Gold, and receiving the Bills & rendering a just Acco^t of the whole.

could well illustrate the depreciation of the paper money. With this view reference is made to the relative values of bills of credit and sterling, the rate of exchange at sundry times, the value of silver by the ounce and pennyweight in bills, at various periods, the prices of the ordinary commodities of the Colony and of labor, the course of the bounty for the destruction of wolves; even the dinners of the Grand Jury have not been neglected. A chapter on counterfeiters and counterfeiting is given, and another relating to the law of Parliament of 1750, regarding the issue of banks, the effect of which appears to have been to prevent the depreciation of bills issued under it, and to seriously impair their value as a circulating medium because of their being hoarded, a circumstance which had not before occurred and

3d. The great Trouble of his House, which began soon after ye money arrived from New York, in Peoples constantly coming to enquire when ye same wou'd be exchanged, and has been greatly Throng'd ever since he began to exchange.

4th. The charge of keeping Two fires extraordinary with Candles, &c., being obliged to work nights, as well as Days.

These Reasons, with many others that will be mentioned upon hearing the petition, your petitioner hopes will be sufficient to prevall on the hon'ble Gen'l Assembly (according to their accustomed Goodness in such cases) to allow your petitioner a reasonable Reward for so extraordinary a Business. He humbly conceives that two pr. Ct. will not be too much, which being granted to him will cause your Petitioner, as in Duty bound, ever to pray, &c.

The General Assembly then passed the following resolution :

Whereas, Thomas Richardson, Esq, the Colony's General Treasurer, preferred a petition and represented unto this Assembly, that by close application and the assistance of five or six expert hands, he hath delivered out the greatest part of the gold and silver lodged in his office for exchanging of Crown Point

was not of long duration. The several Banks have been described in separate chapters, and such things as pertain to each will be found in the proper place. Even at the risk of increasing the size of the Tract, the publisher has introduced the preambles to the laws creating the banks, because he conceives that no explanation can be so vivid and interesting as that made by the people themselves; and moreover by their presentation quaintness of style and picturesqueness is given to the narrative. The value of the Tract has been materially enhanced by the addition of specimens of the bills. These have been obtained in several ways, partly by impressions from the original copper-plates reproduced by lithographic process. Of such are the bills from 1715 to 1738, the plates of which are owned by the Rhode Island Historical Society, and were loaned to the publisher for this purpose. The four pound bill of March, 1750, was reproduced in the same manner, from the original copper-plate, in the possession of Henry Baylies, Esq., of Boston,

bills; that in rendering this service to the public he hath been in danger of losing his life; his house having been broken open, and he robbed of a considerable sum in plate, linen, and other goods, which he imagines was occasioned by its being publicly known that he had the custody of the money given the government by the King; that he was at great care, trouble and risk in counting out the gold and silver, in receiving the bills and rendering a just account of the whole; that the great trouble in his house which began soon after the money was brought from New York by people's coming constantly to enquire when the exchanging would begin, has continued ever since; and is not at this time quite over; and that he was obliged for carrying on the business to keep two fires, and use many candles more than was customary in his house; wherefore he, the said Thomas Richardson, prayed to be allowed a reasonable reward for these, his extraordinary services. This was granted as stated above.

and kindly loaned for this purpose. The specimens of the banks of 1740, 1743, 1750, and of the bills of 1776, are *fac-similes*, done by the heliotype process, by consent of their owners, and to whom acknowledgment has been made in the course of the narrative. The fractional bill of 1776, the confiscated estates' bill of 1780, and the bill of 1786, are printed by ordinary letter press, the stereotypes used in printing the originals having been recently discovered and loaned for this purpose. These stereotypes consist of the top, side pieces, and the seals, all else is of the common stock of the printer. The only other specimen is that of the bill of 1780, of which the publisher had a sufficient number of new un-issued specimens to present one in each Tract. So far as he now knows, he has thus been able to present a specimen of all the different styles of paper money issued in Rhode Island, with but two exceptions. The Crown Point bills of 1755, and the Lawful Money bills of 1756, he has been unable to obtain. The former of these was the last printed from copper-plates. The law provided that "the large plates last used by the Colony" should be used for this issue, and that the words "Crown Point" should be printed on the back. It is possible that the plate of 1750, as given in the Tract, may represent it. The Lawful Mohey bill of 1756 was to be printed "wholly with types," and ~~was~~ was the first produced in this manner, a method which had been suggested by James Franklin in 1728. Whatever pleasure the publisher has derived from his success in obtaining so many specimens, is tempered by the absence of these two. Thus the money itself is given, and with it, the reasons for its issue in the language of the men who made it. The publisher knows no better way of presenting its history. The

change of the motto, *In Te Domine Speramus*, referred to on page 44, is not quite correct as there presented. The original style re-appears on the issue of 1743, and so far as he now knows, it was not afterwards varied. Thus, *In Te Domine Speravi* appeared only on the issues of 1738 and 1740.

Wherever original documents or laws have been reproduced, the strictest attention has been given to preserve the spelling as it is in the original; thus, "admiting," page 60; "encreasing," page 45; "expençe," page 208; "Nicklis," page 78; "Bengemen," page 78, and many others, are chargeable to the errors of the original writers, and not to the present printers. So also in the use of capital letters in the laws, as in the case of the one reproduced on page 45. These were used because they were so in the original publication. They are not in accord with the present usage.

The publisher regrets the size to which the Tract has attained, as he also does its price, which has, however, been rendered necessary on account of the expense of its production.

Besides those gentlemen to whom he is indebted, and to whom acknowledgment has elsewhere been given, his thanks are due to E. M. Barton, Esq., Assistant Librarian of the Worcester Antiquarian Society, to Alexander Farnum, Esq., Gen. Horatio Rogers, and to the Hon. J. M. Addeman, Secretary of State, for assistance given, and for friendly counsel.

PROVIDENCE, R. I., December, 1879.

COLONIAL CURRENCY
BEFORE THE
INTRODUCTION OF PAPER MONEY.

THE English settlers in New England found in circulation among the Indians, as their money, small rectangular pieces of shells, some black, or bluish-black, and others white; each with a hole bored through the center, that they might be strung together, and counted, as they sometimes were, by lineal measure, as by the fathom, at other times they were sewed upon belts or garments as ornaments.¹

1. Captain Church describes the belts of King Phillip, which he obtained from Annawon, at the time of the capture of the latter, thus: "Then opening his pack, he pulled out Phillip's belt, curiously wrought with wampum, being nine inches broad, wrought with black and white wampum in various figures and flowers and pictures of many birds and beasts. This, when hanged upon Captain Church's shoulders, reached his ancles, and another belt of wampum, he presented him with, wrought after the former manner, which Phillip was wont to put upon his head. It had two flags on the back part, which hung down on his back; and another small belt, with a star upon the end of it, which he used to hang on his breast. They were all edged with red hair, which Annawon said they got in the Mohog's (Mohawk) country."—Church's History of Phillip's War, Drake's Ed., 1827, p. 141.

This Indian money was made entirely from shells of two kinds; the black or blue from the shell known to-day as the quahaug, or round clam shell, known to the Indians by the name of Poquahock. Roger Williams, in his observations upon this word, says: "This, the English call Hens, a little thick shell fish, which the Indians wade deepe and dive for and after they have eaten the meat there (in those which are good) they breake out of the shell about halfe an inch of a blacke part of it, of which they make their Suckaũhock, or black money, which is to them pretious."¹ Their white money was made from the shell known to us as the Periwinkle, but which they knew under the name of Meteathock. In his account of this word Williams says: "Of this they make their Wampum or white money, of halfe the value of their Suckaũhock or blacke money." The stem or stock only of the periwinkle was used. This currency was of course made chiefly by the Indians living upon the coast, and any who chose to do so, made it. This they used in purchasing furs of all kinds and such other things as they needed, like corn and venison, from

1. Williams's *Key to the Indian Language*, ed. 1827, p. 104.

the Indians living in the interior of the country. These furs were in their turn purchased by the English and by them sent to England. Wampum was, therefore, current as money among both the English and the Indians. The Colony of Massachusetts, in 1643, made it a legal tender for any sum not exceeding forty shillings, the black at four pieces and the white at eight pieces to the penny.

"The Indians prize not English gold,
Nor English, Indians shell:
Each in his place shall passe for ought
What ere men buy or sell."

Even this singular currency was counterfeited, and in 1647 the Colony of Rhode Island in their first code of laws ordered, "that if the Indians shall offer to put away upon exchange or barter their false peag¹ for good, and warrant it so to be and it is found otherwise, it shall be confiscated to the public treasury."²

Two years later the same Colony fixed the rate at

1. The English called all peag, or stringed Indian money, wampum, which was properly only the white sort.

2. Proceedings of the First General Assembly of the Incorporation of Providence Plantations, and the Code of Laws adopted by that Assembly in 1647. 8 vo., Providence, 1847, p. 17.

which black peag should be received, at four pieces a penny, as in Massachusetts. A fathom of this stringed money was worth at the time Mr. Williams wrote his key to the Indian language, in 1643, five shillings. It had been worth much more, sometimes even ten shillings. This great decline was owing to the fall in the value of beaver skins in England, a result of the laws of trade which the Indians were entirely unable to understand. In 1658 the value of all peag was fixed in Rhode Island at eight pieces the penny, but at the same time the white peag was received in payment of taxes at six pieces the penny. Four years later, in May, 1662, its value had fallen so low that it was not received in payment of fees or taxes, and it thenceforth ceased to be current. At this period there was in circulation in the colonies some gold and silver coins; these were principally of Spanish or Portuguese coinage, the exportation of English coins being prohibited by law. A mint was erected at Boston in 1652, at which were coined silver pieces of the denominations of six and twelve pence. These coins were less in value than the English coins of the same denomination by two

pence in the shilling. These are known as the New England coins. Following them came what is now known as Pine Tree Money.¹ The circulation of other coins than these, and English coin, was prohibited by law in the Colony of Massachusetts, as was likewise the exportation of them. Nevertheless at the period when Douglass wrote his Historical Summary, nearly all, not only of this, but of every

1. The first coins strictly North American, were the New England coinage of the Massachusetts Mint, in 1652. First came the New England coins of one shilling and of a sixpence, bearing on their faces the simple legends, N. E. XII., and N. E. VI. This was as rude an attempt at coinage as that of the Ionians or the Milesians of old time, but it answered all the purposes of a young nation for a little while. It appears, however, that so long ago as 1652, there were among our Puritan forefathers some who would clip the edges of a coin before it passed out of their hands, and these coins were eminently convenient for the dishonest uses of such individuals, hence the New England coins were soon suppressed and the coins known by the general term Pine Tree coinage took their place. The New England coins are now very scarce, and most highly prized by collectors. They have been very successfully counterfeited. The Pine Tree coinage was coined in large quantities—in shillings, sixpences, threepences and twopences. Of these there were several dies. The trees were according to the fancy of the artist. We have one known as the Shrub or Scrub Oak shilling, and others as before named. They differ also in size and in weight. This coinage was continued for thirty-three or thirty-four years, the date 1652 being never changed on the coins. The twopenny piece was not issued till 1662, and always afterwards bore that date. This writer gives the value, as curiosities, of these New England coins, at from twenty to twenty-five dollars each, and of specimens of the Pine Tree money at from four to five dollars each.—Prime's Coins, New York, 1861. pp. 62, 63.

other kind of coin, had been driven from the Colony of Massachusetts by the bills of credit with which the land was then flooded.¹ After the Revolution of 1688 England was for many years engaged in almost continual war with France, and as France was then, and until 1763, in possession of Canada, the colonies soon became engaged in the cause of the mother country and expeditions against Canada as a matter of course followed. The first of these expeditions occurred in 1690, and the first emission of bills by the Colony of Massachusetts was to pay her returning soldiers from this expedition.² It declined almost immediately to fourteen shillings to the pound sterling, and was soon called in. From this time onward the Colony continued to issue such sums as were required for the public treasury, with occasionally a larger sum, termed a bank, which was to be loaned to the people. The

1. Douglass's Historical Summary, London, 1755, vol. 1, pp. 433-4.

2. Romantic expeditions have been the bane of our northern colonies, by incurring a paper public credit made a currency and legal tender. The ill concerted and worse executed expedition anno 1690 against Canada introduced this vicious currency. The very, very, very rash, but very, very, very fortunate expedition against Cape Breton, or Louisburg, I hope may terminate public paper currency.—Douglass's Historical Summary, London, 1755, vol. 1, p. 314.

relative value of these bills compared with sterling, fluctuated very much. Attempts to fix the relative value by law was made from time to time by the Legislature. Thus in 1711 the value was fixed at 140 to 100, but in 1748 it had declined to 1,000 to 100.¹ As the Colony of Massachusetts was the first to issue bills, so she went far beyond all the other colonies in the amount of her issues.² (New-Eng)

The first emission³ of bills of credit by the Colony of Rhode Island was for the amount of five thousand pounds, in the year 1710, in the month of May; one thousand pounds more followed in October, and another thousand pounds in November of the same year. These bills were of the following denominations: Two shillings, two shillings and sixpence, five shillings, twenty shillings, forty shillings, three pounds, and five pounds.⁴ They were receivable for all Colony dues, and were to pass current equal to

Records iv. 96.

1. Douglass's Historical Summary, London, 1755, vol. 1, p. 311.

2. Douglass's Historical Summary, London, 1755, vol. 2, p. 13.

3. Bills of credit were first emitted by the Colony of New York in 1709; by the Colony of Virginia in 1755; by the Colony of Rhode Island in 1710; by the Colony of New Jersey in 1709; by the Colony of Pennsylvania in 1723; and by the Colony of Massachusetts in 1690.

4. Acts and Laws of His Majesty's Colony of Rhode Island and Providence Plantations in America. Newport, 1730, p. 60.

coin in all payments whatsoever, "specialities" only excepted, for five years, "if the General Assembly then see cause to call them in." They were to have the ANCHOR and HOPE affixed in the scutcheon, with such other impressions as should be thought needful by the committee. Their form as fixed by the law was as follows :



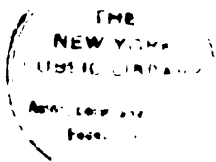
T HIS Indented Bill of *Due from the Colony of Rhode-Island, and Providence-Plantations, in New England, to the Possessor thereof, shall be in equal value to Money, and shall be accordingly accepted by the Treasurer and Receivers, subordinate to him in all publick Payments, and for any Stock at any time in the Treasury. Newport, August 16th. 1710. By Order of the General Assembly, for the Colony above-said.*

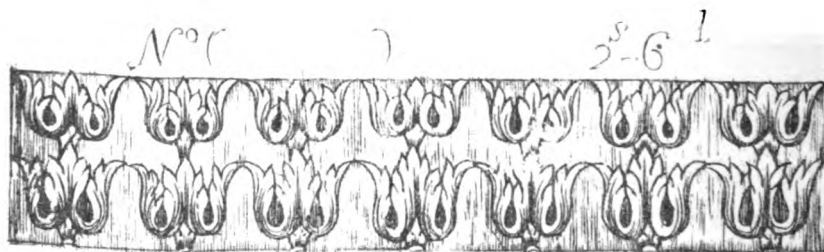
The reasons assigned in the preamble to the laws for these emissions were : First, "Whereas this Colony has Received Orders from Her Sacred Majesty

Queen Anne for an Expedition to be Prosecuted with speed against the French and Indian Enemies, which by reason of the great Scarcity and Want of Silver Money this Colony without some extraordinary means be used for the effecting the same would be unable to perform; For Remedy whereof, and the speedy procuring and equipping out all things necessary for the same"—and Second, "Forasmuch as the Bills of Credit already Emitted by this Colony are not sufficient to satisfy the Debts Created by this Colony in the late Expedition undertaken against Annapolis Royal in pursuance to Her Majesty's Command, whereby many Persons are very great Sufferers and several like to be Ruined thereby, and there not being sufficient Silver in the Colony to answer the same," be it therefore enacted, etc. No specimen of these bills is known to be in existence unless the specimens of the next issue given in this tract were from the old plate, wherefore we have been thus particular in describing them. They were doubtless very coarsely engraved and very easily imitated, and as soon after their issue, as October of the same year, the General As-

sembly found it necessary to make a law punishing counterfeiting.

The following year, 1711, the Colony issued six thousand three hundred pounds, which ended the issues until 1715, when the Colony issued its first bank.





N^o 1 2^d-6^d

THIS indented bill of two
Shillings and Six pence due from the Colony of
Rhoad Island and Providence Plantations in New
England to the Possessor thereof Shall be in
Value **E**qual to **M**oney and Shall be according
ly accepted by the **T**reasurer and **R**ecceivers
Subordinate to him in all **P**ublick payments.
for any Stock at any time in the **T**reasury
Newport Rhoad Island July the fifth 1715
By Order of the General Assembly 1731



1724
1726
tee
Com
1728
1731
1733
1737

THE FIRST BANK.

1715.

THIS bank consisted of forty thousand pounds, of which thirty thousand pounds were issued in July, and ten thousand pounds additional in October.¹ An important distinction is here to be noticed between bills emitted for the supply of the treasury, which emissions were generally in small sums as occasion required, and a bank, which was an emission generally of a large sum, not for the exigencies of government but to be loaned out at interest to the people on mortgage security for a term of years. The preamble to the act of 1715 gives the reasons for the emission: "Whereas it hath pleased God to suffer the French and Indians, our late Enemies, to maintain a long, bloody, and

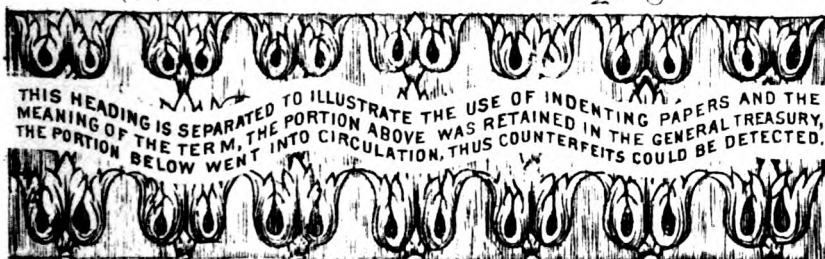
1. Acts and Laws of His Majesty's Colony in Rhode Island and Providence Plantations. Newport, 1730, pp. 78-83.

expensive War against His Majesty's Subjects in these parts of the Northern America; in which calamity of War, this Colony hath been no small sharer, a great part thereof lying exposed to the Insults and Depredations of the Enemy both by Sea and Land, which to defend this, His Majesty's Colony hath from time to time for this many Years past been put to great Charge and Expence, which, together with the extraordinary additional Charge that accrued by Her late Majesty's Commands to assist in sundry expeditions for the Reducing of Port Royal and Canada, the defraying the Charge whereof proved so great a Burthen that it hath Reduced the Money of the Colony and other Mediums of Exchange unto a very low Ebb that thereby Trade is sensibly Decayed, the Farmers thereby Discouraged, Husbandmen and others Reduced to great Want and all sorts of Business Languishing, few having wherewith to pay their Arrears and many not wherewithal to sustain their daily wants by reason the Silver and Gold in the first place necessary to defray the Incident and Occasional Charges hath been exhausted; those few Bills of publick Credit put forth

by this Government falling short of discharging this Colony's Arrears, hath left us little or no Medium of exchange; and whereas the annual, necessary and unavoidable Charge of the Colony makes a considerable account and that His Majesty's Fort, called Fort Anne, is gone much to Decay and almost every thing therein out of Repair and that all sorts of Ammunition and Stores are wanting, to furnish the same for Defence; especially at a time when War seems to threaten us. And also His Majesty's Goal in the Metropolis of this Government is calling for speedy and considerable Repairs and Enlargements and many other publick Emergencies which cannot be omitted, Requiring considerable Sums of Money which to effect their is no possibility in View saving that of Emitting Publick Bills of Credit of this His Majesty's Colony, to accomplish the ends aforesaid and to Reduce the Arrears thereof unto a Ballance, always depending on our Dread Sovereign's Countenance and Toleration therein unto whose Royal Commands this Colony as in Duty Bound will at all times readily submit." Since there are four specimens of the bills of this bank presented in this Tract, taken from an

original plate, one of which is still in existence,¹ it will not be necessary to enter into a full description of them. Very slight verbal differences exist between the form as prescribed in the law of 1710 and the bill as presented in the issue of 1715. They were all indented bills. The object of such bills was to assist the treasurer in detecting counterfeits. The ornamental head band of the bill was irregularly cut with shears, the upper portion bearing the number, and the denomination of the bill was retained in the Treasurer's office, while the lower portion went into circulation. When it came back, it must fit its counterpart, or it was declared counterfeit. The use of the term indented is best shown in one of the illustrations following. The ornamented headband of this bill has been irregularly separated, and the whole bill again presented by lithographic process, thus showing the use and meaning of the term indented, so far as it is used in this case. 'This indented money was

1. The printing of this issue of 1715 was done by Samuel Vernon, of Newport, and for it he received £200. The Trustees appointed to negotiate the loans were Colonel John Wanton, Major Nathaniel Coddington, Major James Brown, Mr. Robert Gardner, Captain Benjamin Ellery and Job Almy. The business was mainly done at Major Brown's house, and for the use of the Major's house, room, fyer, table, chist, etc., the Colony paid £13 9s 4d, precisely.



N^o 1 2^s-6^d

THIS indented bill of two
Shillings and Six pence due from the Colony of
Rhoad Island and Providence Plantations in New
England to the Possessor thereof Shall be in
Value **E**qual to **M**oney and Shall be according
ly accepted by the **T**reasurer and **R**eceivers
Subordinate to him in all **P**ublic payments.
for any Stock at any time in the **T**reasury
Newport Rhoad Island July the fifth 1715
By Order of the General Assembly



1724
1726
tee
Com
1728
1731
1733
1737

issued from these plates at sundry times from 1715 until 1737, the various years being cut on the plate as required. In 1738 a new plate was engraved and six specimens from it are incorporated in this tract. It was not indented money, the issue of which ceased with the year 1737. It should be further remarked that the act of July, 1715, does not prescribe a form, thereby leaving us to presume that the form in the act of 1710 was to be followed. The following denominations were ordered: One shilling, two shillings and sixpence, three shillings, four shillings and sixpence, five shillings, ten shillings, twenty shillings, forty shillings, three pounds and five pounds, being in the whole thirty thousand pounds, "which Bills shall not be Pasted, Covered, or Lin'd on the back side on any pretence whatsoever."¹ This being a bank, the bills were to be loaned to the inhabitants of the Colony at five per cent. interest for a period of ten years, upon real estate mortgage security of double the value of the loan. The annual payment of interest was not provided for in the mortgages,

1. Acts and Laws of His Majesty's Colony of Rhode Island and Providence Plantations, in America. Newport, 1730, p. 81.

but was secured by bonds, by which means the government was defrauded of a large portion of the interest. The original record of the loans of the first and second banks is still in existence, although somewhat mutilated, being little else than a few loose sheets sewed together without binding. It presents the names of the borrowers in each town, and the amount taken by each person. The amount assigned to each town was the same in both banks. Providence was assigned £6,500, Newport £11,511, Portsmouth £5,993, Warwick £2,363, Kings Towne¹ £7,080, Westerly £2,249, Greenwich £1,201, James¹ Towne £1,883, New Shoreham £1,212.

1. In the spelling and division of these words the original record has been followed.

N^o (

)

12 Pence

N^o (

)

12 Pence

*This Indented Bill of Twelve Pence due from
the Colony of Rhode Island and Providence
Plantations in New England to the Possessor.
there of Shall be in Value equal to Money:
And Shall be accordingly accepted by the²³
Treasurer and Receivers Subordinate to³
him in all Publick Payments & for any Stock
at any time in the Treasury Newport Rhoah
Island July the fift^h 1715 By Order of the
General Assembly*



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THE SECOND BANK.

1721.

No further issues were made by the Colony until 1721. In May of that year another bank was issued to loan to the inhabitants. It consisted of forty thousand pounds. The reasons assigned for the issue are found in the preamble: "Forasmuch as the Silver and Gold formerly passing in this Colony is altogether exhausted and the Bills of Credit Emittted by this Colony are not a sufficient Medium of Exchange whereby the Commerce and Trade of this Government is exceedingly Obstructed and the Affairs thereof very much hindred; And also Fort Ann calls for very speedy and great Reparations, which is impossible to be done, for want of a Medium, without the Raising and Emitting such a Sum as aforesaid."¹

1. *Acts and Laws of His Majesty's Colony of Rhode Island and Providence Plantations in America.* Newport, 1730, p. 115.

The act provides that hemp or flax might be received by the treasurer in payment of interest on this loan, thus encouraging the growth thereof, and explaining the use of the term stock in the bills, which doubtless meant such like commodities as came into the possession of the treasurer in payments of dues to the Colony. In 1718, "forasmuch as the three pound bills of credit on this Colony, emitted in the years 1710-11 aforesaid, have been counterfeited, whereby great damages happened to several persons, which may discourage the currency of said bills if not prevented," they were called in. This also happened with the forty shilling and five pound bills of 1715 and 1721, in imitation whereof some "wicked persons have engraved a plate and altered some forged bills stamped therefrom,¹ the consequence whereof may prove very injurious to

1. Occasionally large emissions of bills of credit were made for the uses of the general treasury between the emissions of the banks. Such a case was that of 1726, on which occasion £46,634 were issued. This was under the law calling in and exchanging these five pound and forty shilling counterfeits. John Coddington, of Newport, printed or had the printing executed, and for it he received two hundred and seven pounds. Robert Gardner, of Newport, was appointed one of the six signers of the bills of the former bank. He also signed this issue, for which service he received fifty pounds, and nine pounds additional for the use of his house and fire at the signing of the same.

the currency of said bills." In consequence of the habit of tearing the bills and passing them in halves and quarters the General Assembly found it necessary to prohibit such mutilations.

In December, 1724, the General Assembly passed an act calling in the bank of 1715 within three years, or in 1728. In the latter year they repealed the former act, calling in the bank, and extending the time ten years, one-tenth annually, without interest, from the time of the passing of the act. Ten distinct bonds were to be given for the amount of the respective mortgages. A specimen of these bonds, but of a later date, is presented below.¹ The

[1.] Colony of *Rhode-Island, &c.*

K NOW all Men by these Presents, That I Joseph Angel of Providence in the County of Providence; yeoman, am holden and firmly bound unto *John Wanton, William Coddington, George Goulding, Daniel Updike, Juhleel Brenton, and John Gardner*, all of Newport, Gent. Trustees for the Colony aforesaid, in the full and just Sum of ten Pounds in good and passable Bills of Publick Credit, to be paid to the aforesaid Trustees, or to such Persons as shall by the General Assembly of said Colony, be from Time to Time appointed in their Stead. For the Payment whereof well and truly to be made, I bind my self, my Heirs, Executors and Administrators, firmly by these Presents. Sealed with my Seal. Dated the nineteenth Day of february in the sixth Year of his Majesty's Reign. *Annoq; Domini, 1732-3.*

THE CONDITION of this Obligation is such, That if the above bounden Joseph Angel his Heirs, Executors or Administrators, shall and

depreciation of these bills, which began very soon after the first emission, must have been increased by the extension of the time of their redemption.

do well and truly pay, or cause to be paid, unto the above named Trustees, or to such Persons as shall be appointed in their Stead as aforesaid, to and for the Use of said Colony, the full Sum of five Pounds in good and passable Bills of Publick Credit of said Colony, on or before the tenth Day of nouember which will be in the Year of our Lord, One Thousand Seven Hundred and Thirty-Seuen and that without Fraud or further Delay, then this Obligation shall be null and void, and said Sum shall discharge one Tenth Part of the Mortgage whereby said Colony hath Security for the same Money; but upon Failure, shall be in full Force and Virtue.

Signed, Sealed and Delivered, } [memorandum, the words John Gardner was
in the Presence of } [entered in before signing and sealing.]

RICHARD WATERMAN, JUN'R,
NERIAH WATERMAN.

JOSEPH ANGEL.



This Indented Bill of Three Shillings Due
from the Colony of Rhoad Island & Providence
plantations in New England to y^e Possessor there
of Shall be in Value Equal to Money and shall
be accordingly accepted by the Treasurer and
Receiver Subordinat to him in all Publick
Payments and for any Stock at any time in
the Treasury Newport July the fifth 1715
By Order of the General Assembly



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THE THIRD BANK.

1728.

THE preamble to this act of 1728 seems like all the others, to be of sufficient interest for its reproduction: "Whereas an Act of the General Assembly, of this Colony, made the 29th Day of December, 1724, in addition to two Acts made and passed in said Colony, in the Year 1715, Orders and Directs the Forty Thousand Pounds, being the first Bank emitted in this Government, to be called in out of the Hands of those Persons entrusted therewith, and let out again to other persons not having before had Money upon Loan in manner as in and by said Act is expressed; Which affair having been duly weighed and maturely considered, and it appearing that the ends and purposes for which said Bank was first emitted was fulfilled and accomplished, and that, therefore, it is most Consonant to Justice, and

most agreeable to the Honour and Integrity of the Government not to keep out said Bank longer than Necessity required, or to the Prejudice of said Currency. It being also in like manner considered that the persons who took said Money upon Loan have been very punctual and exact in the Payment of the Interest thereof, for the carrying on those wise ends and purposes for which the same was emitted, and that sundry of them by paying Interest, as aforesaid, have been so exhausted in their Stock, that for the Government to exact the Payment in of said Bank in compleat Sums at one time, as the same was emitted, would inevitably tend to the Ruin and Destruction of many Families, good Subjects of the King ; And the General Assembly aforesaid having a due Regard to the aforesaid Inhabitants of the Government, involved, as aforesaid, as well as to the publick Fund of the Colony ; and judging it an Infringement upon the Libertys and Priviledges of the English Subjects to enrich the one at the immediate Ruin of the other, Do Order and direct The calling in, and sinking said old Forty Thousand Pound Bank (of 1715), and the emission of Forty Thousand

pounds of New Money.”¹ Further reasons are contained within the law and are here given: “Whereas, the General Assembly of this Colony, at their last Sessions, passed a Vote for the sinking and dissolving the first Forty Thousand Pound Bank, (1715), emitted by this Government, which this General Assembly have formed into an Act, and regulated for the effecting thereof: And at this juncture there being so great a scarcity and want of a proper Medium of exchange, that not only Trade and Commerce, which are the Nerves and Power of the Government, begins in a sensible manner to Decline, Stagnate and Decay, but the publick Affairs of this Colony, of the greatest Importance, and those things whereon depend our Peace and Safety for want of a proper and sufficient Medium of exchange, cannot be put in proper Order and Regulation; Fort Ann² requiring a considerable Sum for the fin-

1. Acts and Laws of His Majesty's Colony of Rhode Island and Providence Plantations in America. Newport, 1730, p. 152.

2. Fort Anne was a fortification built on Goat Island, in Newport Harbor, during the years 1701-7. It was capable of mounting twelve or thirteen cannon. After the death of Queen Anne it was known as Fort George, and very much enlarged and strengthened.

ishing thereof, and Ammunition Stores and other things necessary are much wanted, especially at this juncture, when the Peace of Europe hath been so long disturbed by an obstinate and powerful Enemy which must be expected to affect us in these remote Parts of the World except God shall please to crown his present Majesty's wise endeavours with success, and that such a Medium of Exchange may run through this Government at this present time (which portends difficulty and trouble) and that the Inhabitants of this Government may subsist & preserve in some measure, their former Station and Commerce and that those things¹ already begun for the Defence of our selves and the Neighbouring Governments may be carried on speedily and fully perfected, so that we who live in the Face & Front of the Continent of New England may be above the fear of any Attack from our Enemies and in a Capacity to live peaceably and undistrusted."²

1. Acts and Laws of His Majesty's Colony of Rhode Island and Providence Plantations in America. Newport, 1730, p. 154.

2. The means here devised and designed as a protection to the trade and commerce of the Colony, were the very means by which it was utterly lost and driven from the Colony forever. Only twenty years thereafter, in 1748, Rhode Island being unable to follow the lead of Massachusetts, and place her finances upon a specie basis, lost all her foreign trade.

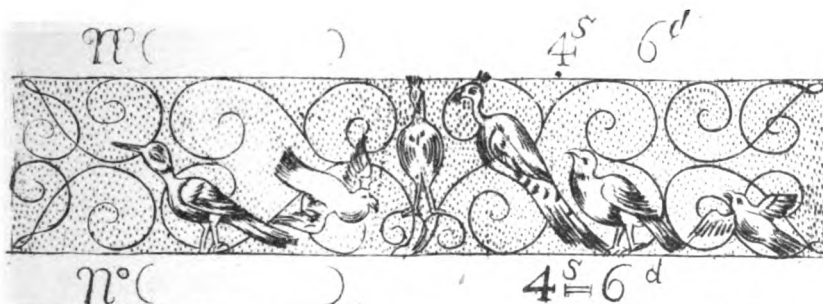
By this act another bank was issued, the third, to the amount of forty thousand pounds. Others followed in 1731 and in 1733, the latter of a hundred thousand pounds.

THE FOURTH BANK.

1731.

To the emission of 1731 there was considerable opposition throughout the Colony, but especially from Newport. A memorial from the merchants of that town was presented to the General Assembly, complaining of the ruinous effects of the paper money on property and on trade. The Governor, Joseph Jenckes, dissented from the passage of the act and endeavored to establish his right to a negative (or veto) but did not succeed.¹ After the pas-

1. Governor Jenckes was opposed to the paper money system, and the day after the Assembly rose, he entered his dissent upon the records under the act creating the new loan. This caused great dissatisfaction. Party spirit ran high. The opponents of paper currency applied to the Secretary for copies of the act, to which the Governor appended the requisite certificate of that officer's official character and affixed the Colony seal thereto, as usual in such cases. This was seized upon by the opposition to misrepresent Jenckes as having endangered the existence of the charter by affixing the seal to a complaint against the government. Deputy Governor Wanton convened the



This Bill of Four Shillings & Six Pence Indented Due from y^e Colony of Rhoad Island and Providence plantations in New England to the Possessor thereof Shall be in Value equal to Money and Shall be accordingly accepted by the Treasurer and Receivers Sub ordinate to him in all Publick payments & for any Stock at any time in the Treasury Newport July the fifth 1715 by Order of the General Assembly

1737



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sage of the act, the memorialists obtained certified copies of the memorials and of other documents for the purpose of transmitting them to the home government, whereupon the Deputy Governor, John Wanton, convened the General Assembly at Newport, on the third of August, the Governor having refused to do so. A stormy session followed, with the result of completely overthrowing the hard money party. The General Assembly took away the certified copies from the memorialists and forbade the use of the Colony seal for any such purpose. Petitions and memorials were immediately sent to the home government by the merchants of Newport, by the Governor's Council, and by the General Assembly, but the Governor addressed himself directly to the King, George the Second. The state of the case appears to have been, that on the fourteenth of June, 1731, the General Assembly passed an act emitting sixty thousand pounds. The

Assembly, the Governor refusing to do so. They declared the entry null and censured the Governor.—Arnold's Hist. R. I., vol. 2, p. 104.

Whereupon both parties appealed to the home government with the result as given in the text. Governor Jenckes lost his position and William Wanton was elected Governor.

session continued for ten days, or until the twenty-fourth of June, on which day it adjourned. On the following day the Governor delivered to the Secretary the act on which he had written: "His Honor the Governor dissents from the said vote." The General Assembly declared this veto null and void, first, because they were not apprised of it during the session. Second, the legislative authority could not act except when duly convened, much less could a single member encumber any act by dissenting or protesting after the rising of the court. Other and minor reasons were given. The Governor, in the letter to the King,¹ asked, first, whether any act passed by the General Assembly of this Colony may be judged valid, the Governor having entered his dissent from it at the time it was voted. Second, whether or not the Governor of this Colony may, with safety, disallow or refuse setting the Colony seal to copies taken out of the Secretary's office and attested by him in order to be sent to Your Majesty. Third, whether it be the Governor's duty to examine all such copies before he orders the Colony seal to

1. Rhode Island Colonial Records, vol. 4, p. 468.

be set thereto, the secretary which attests them being an officer under oath. The reply to these questions by the home government, were : First, that though by the charter, the presence of the Governor, or in his absence the Deputy Governor, is necessary to the legal holding of a General Assembly, yet when he is there he is a part of the Assembly and included by the majority, and consequently that acts passed by the majority of such assembly are valid in law, notwithstanding the Governor's entering his dissent at the time of the passing thereof; in this charter no negative voice is given to the Governor, nor any power reserved to the crown, of approving or disapproving the laws to be made by this Colony. Second, that it was the duty of the Governor to affix the Colony seal to such papers as were certified by the Secretary, the examination and attestation of the latter being sufficient without the personal examination of the Governor. Third, that the Crown hath no discretionary power of repealing laws made in this province, no provision (in the charter) being made for that purpose, provided the laws were not repugnant to the laws of England, and regard being

had to the nature and constitution of the place and of the people, they were binding.¹

The home government had at various times endeavored, but with little success, to restrain the emission of bills of credit by the colonies. To this end a proclamation had been issued by Queen Anne on the eighteenth of June, 1704, and an act passed in 1706-7, the sixth year of her reign, whereby the value of coin in the colonies was attempted to be fixed. Further, in 1720, on the nineteenth of May, an order in council was made, forbidding any emissions to be made by the colonies without first having obtained the royal assent. These obstructions were, however, of no avail, even if they were ever earnestly intended, the flood was continued and men were ruined.

The result of this great disturbance was the complete triumph of the paper money party, led by the leading members of the Wanton family. The election of 1733 made William Wanton, Governor, who, dying in office, was succeeded by John Wanton the following year, he being Deputy Governor. Gideon Wanton was made General Treasurer. The Govern-

1. Rhode Island Colonial Records, vol. 4, p. 461.

or, the Deputy Governor, and the assistants, (or Governor's Council,) formed the Supreme Court. Thus it will be seen that the paper money party had obtained control of the legislative, the judicial and the executive departments of the government of the Colony, and were practically sustained by the home government.

In considering the political questions which arose from the issue of 1731, the reasons assigned for the issue have been overlooked. The preamble to the law declares that¹ "Forasmuch as it is conceived that a Premium or Bounty for the Encouragement of the Hempen Manufactory and of the Whale and Cod Fishery would be of great Advantage and Benefit to Great Britain our Mother Country, and at the same time relieve the Government under its present Difficulties and Distresses by giving Trade and all other Business a different Turn so that by Industry and Labour the Government may not only be Serviceable to his Majesty in raising Hemp and furnishing the Navy with Naval Stores, &c., but be able to call in and sink the Bills of Publick Credit formerly

1. Acts and Laws of His Majesty's Colony in Rhode Island and Providence Plantations in New England in America. Newport, 1746, p. 158.

emitted according to the several Acts for that Purpose, and carry on their Affairs publick and private, for the future, without the present Difficulty and Trouble." Whereupon the General Assembly declared that for every pound of good water-rotted, well manufactured hemp, raised in the Colony, nine pence should be paid, out of the interest received on this loan; and in the like manner four pence per pound for well manufactured flax, raised in the Colony and hatchelled; and in like manner there shall be paid a bounty of five shillings for every barrel of whale oil, one penny for every pound of whalebone, and five shillings for every quintal of good merchantable codfish which shall be caught in any vessel owned in the Colony and sailing out of some port thereof by fishermen residing therein. This bounty was to continue for a period of ten years.¹

These large emissions of paper money had now come to be opposed by the merchants and business

1. The effect of these bounties on the production of these articles is shown by the amount of the bounties paid by the Colony: In 1733, £431 12s 8d; in 1734, £758 18s 4d; in 1735, £910 10s 8d; in 1736, £1,044 18s 5d; in 1737, £1,500; in 1738, £1,781 4s 6d; in 1739, £1,627 11s 11d; in 1740, £1,462 16s 10d; in 1741, £983 19s 4d; in 1742, £1,766 5s 7d; in 1743, 1,554 18s 11d. These sums were paid in cash as bounties on hemp, flax, fish, whalebone and whale oil.

men,¹ and by the more intelligent portion of the community. Their advocates were the multitude who were indebted and distressed in pecuniary affairs, and who thus expected to obtain for themselves some measure of relief. It was an easy way of paying old debts. Members of the General Assembly were often inclined to favor the projects, not only from the desire of popularity, but the less honorable motive of pecuniary interest. Pretences were never wanting, as the preambles which have been presented show: The Colony was in debt; Fort Anne was continually out of repair; Her Majesty's gaol in the metropolis of the Colony was sadly out of order. When specie had been driven away by the increase of paper money, the scarcity of silver was a fresh excuse for further issue. Or the issue was made for the great advantage and benefit to Great Britain, our mother country, in that it would be serviceable to

1. The names of the following prominent men were appended to the memorial to the home government, in opposition to the issue of money of August, 1731: Nathaniel Kay, Peter Bours, Edw. C. Searegrass, Jona. Tillinghast, William Almy, John Lawrence, Nathaniel Newdigate, John Brown, Jr., Abraham Redwood, Simon Pease, Phillip Tillinghast, Jr., John Tillinghast, John Freebody, Benjamin Norton, Christopher Almy, Job Almy, Daniel Ayrault, William Ellery.—Rhode Island Colonial Records, vol. 4, p. 457.

His Majesty in supplying his navy with naval stores, His Majesty having expressly ordered that no issues should be made without first having attained the assent of the home government. But each new issue only involved the people as a whole in greater difficulties. Those who were involved in debt, borrowed of the Colony, on mortgage, a sufficient sum to pay their debts, as the bills were in many cases made a legal tender. When the time came for the repayment to the Colony a sufficient amount of the same bills could be procured at a very great depreciation, and moreover, the government was in very many cases defrauded of the interest. To remedy this latter evil a law was enacted in 1738, wherein it is stated that at the loaning of banks no other than personal security was taken for the interest on them. "And it oftentimes happened that those who did hire of the Colony and mortgaged their lands, did sell and convey the lands so mortgaged to other persons who have heretofore taken up those mortgages, and in their own name pledged the same for the Principal, but as to the interest no provision being yet made, and the Persons receiving the Money from

the Colony removing out of it, thereby the interest hath been entirely lost."¹

The bills of each Colony generally passed current in the neighboring colonies, the same as their own bills, the rate of depreciation being affected to a considerable degree by the amount issued by the adjoining colonies. The rate in Massachusetts was probably about the same as in Rhode Island. There was at first a combination made in Massachusetts to refuse to receive the Rhode Island bills of 1733, but it was not long adhered to.² Large emissions were

1. Acts and Laws of His Majesty's Colony of Rhode Island. Newport, 1745, p. 206.

2. Ten years later than this, in 1743, the General Court of Massachusetts Bay enacted a law practically declaring that, whereas the bills of this and the neighboring governments are, and have been, the principal mediums of trade and commerce in this Province, and some of those governments, more especially that of Rhode Island, have frequently made extravagant emissions of their bills, which, by as frequent experience have been found a great means of depreciating all the bills of public credit current among us, whereby great injustice hath been introduced, and should the same practice be continued, it would be greatly injurious to the inhabitants of this Province and ruinous to many. It was, thereupon, declared that any person who shall "utter, offer to put off, take or receive any Bill of Credit issued by the Colony of Rhode Island since 1742, shall forfeit Three pounds, and be ever after disabled from bearing any office of Honour or profit. Any officer of this government who passed or received the bills shall forfeit Ten Pounds and lose his office, and be declared ineligible for office. Inn Holders were to forfeit Three pounds and

made by Massachusetts during this same year and the rate of depreciation very much increased. Silver, which had been worth eight shillings the ounce, now rose to twenty shillings the ounce.¹

It is proper to observe that although the Colony took mortgages for the bills loaned, these mortgages were not the least security to the bill holders. The bills were mere promises from the Colony to pay a certain amount to the bearer, who had nothing but the good faith of the Government to depend upon. Thus they differed essentially from the bills of the banks, subsequently created by the State of Rhode

lose their licenses. Mortgages and Bonds which should be paid in part in the pernicious currency, were declared fraudulent and void in law. A witness who either received or paid any of the bills, and who should first inform against and prosecute the other party, should be indemnified from the penalty and receive half the forfeiture. Merchants and Shopkeepers forfeited ten pounds for every offence. The act was to continue in force two years.—Acts and Laws of the Colony of Massachusetts Bay. Folio. Boston, 1743, p. 99.

This appears to be only another illustration of the old fable of the wolf and the lamb. Douglass estimates the bills of credit, outstanding in 1748, of the Colony of Massachusetts at £2,466,712; of the Colony of Connecticut at £281,000; of the Colony of Rhode Island at £550,000; of the Colony of New Hampshire at £450,000. By the table of emissions and burnings, appended to this Tract, it appears that the Colony of Rhode Island had emitted at that time, 1748, £668,000, and had called in and burnt £200,000, thus showing that the estimate by Douglass was within the fact.

1. Arnold's History of Rhode Island, vol. 2, p. 105.

Island, for the payment of which all the property of the corporation, and in many cases the private property of all the stockholders of the corporation is pledged.¹ Furthermore, the present bills of the National banks are secured by bonds of the United States government, deposited with the proper department of government before the issue of the bills, and in sufficient amount for their certain redemption, thus rendering them as secure as any circulating medium well can be.

Frequent attempts were made by the General Assembly to establish a rate of depreciation at which the bills should pass current, but the rates, so fixed, were seldom as high as the actual rate existing. In Massachusetts, an endeavor, by some of the Council, to establish the legal rate as high as it actually was at the time among the business portion of the people,

1. John Adams defined American paper money to be nothing but bills of credit, by which the public, the community, promises to pay the possessor a certain sum in a certain limited time. In a country where there is no coin, or not enough in circulation, these bills may be emitted to a certain amount, and they will pass at par, but as soon as the quantity exceeds the value of the ordinary business of the people, it will depreciate and continue to fall in its value in proportion to the augmentation of the quantity.—*Works*, vol. 7, p. 296.

subjected the movers to a great deal of odium and to loss of position in the government.

These numerous issues must have added immensely to the clerical labors of the Treasurer. A petition¹

1. "The Petition and Request of me the subscriber is that you would consider how greatly the Generall Treasurer's fees is Reduced and ye business, nothing abated but rather encreased in that there is near three times as many Bonds in the last bank as there was in the first and many people that have taken of it are very backward about paying their Interest that I am obliged to sue a great number which is Vexatious to them and Troublesome to me and as the money is grown older so it is more torn in pieces which makes more work for changing of it. Had it been your pleasure to allowed me my salary after the custom ye former treasurers have all a long had theirs which had a great deal of equallity in it, for then if they did much or little their pay was proportionable, I had not troubled you with these loines but in as much as it is not so I hope you will bear with me, for altho 150 pounds may seem a great sum to some of you yet it Dont amount to a trademans that lives in this town that is at no Charge or Resque when I believe you are sensible I am at both for as the affairs of the Government Requres attendance continually and people from all parts of the Country comes to the Treasury to get their money changed besides a great number belonging to this colony that pays their Interest and Draws money out so without making myself the Greatest Nigard on earth I must in course give away some considerable part of my salary and besides that I have been at a great charge in making a place strong and convenient in my house and purchasing an iron chest with sundry other things necessary for the security of the Colony's money and Bonds and as to the Resque I believe you will allow it to be Great in Changing so many thousand old torn Raged Bills that is Brought in yearly, that hardly any man can count twice alike, a small instance whereof you had february last by that money the Grand Committee Brought into the Assembly so I hope you will consider the primases and make some addition to my stated salary for the time past which was the first year after the Rate of

sent by him to the Assembly, in 1728, sets forth his ways of doing business and his troubles, for which reason it is here appended.

100 pounds per annum and the last year 150 pounds, as for the time to come I shall att present be silent not Knowing what that may bring with it, and also not Doubting but as I found faithfull in that Trust committed to me but that hereafter you will make a Reasonable addition also if it should prove other wise I can assure you I shall be but poorly of with Respect to my Sallery."

ABR. BERDEN.

June 17th, 1730.

Abraham Borden, as the name is now written, was General Treasurer from 1730 to 1733, when Gideon Wanton was elected in his place.

THE FIFTH BANK.

1733.

THE fifth bank consisted of the emission of one hundred and four thousand pounds. The reasons for its issue, as given in the preamble,¹ are: "Whereas Fort George lately built by this Colony for its Defence being now in a weak and defenceless Condition by not having sufficient Cannon and Ammunition suitable for such a Fort, and for Want thereof said Fort is rendered entirely useless, and would rather prove injurious to this Government than a Benefit and the Inhabitants of this Colony. His Majesty's good Subjects might be in Danger of being destroyed in Case of an Invasion by an hostile Enemy, so that the Intent of this Colony in building the said Fort would thereby be defeated if not

1. Acts and Laws of His Majesty's Colony in Rhode Island and Providence Plantations in America. Newport, 1745, p. 172.

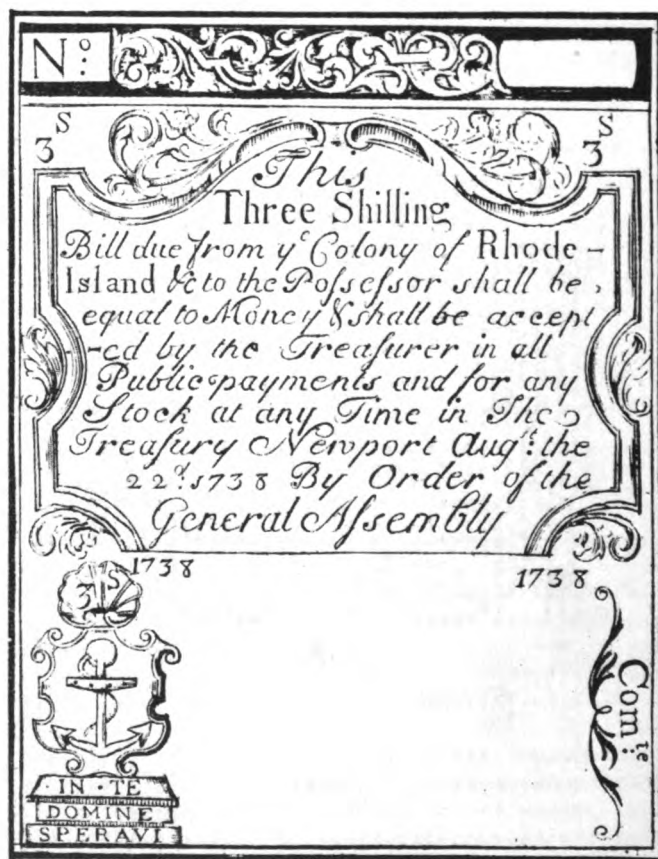
speedily supplied with Cannon and Ammunition necessary therefor, and there not being Money in the General Treasury sufficient for the Accomplishment of the same,

" And Whereas the Scituation of this Government is very commodious for Promoting the Whale and Cod Fishery, and that an Encouragement of the same would be very Advantageous to the Inhabitants of this Colony, as well as of great Service and Benefit to Great Britain our Mother Country. And Forasmuch as it is conceived that the Carrying on the Whale and Cod Fishery can be effected with considerable less Trouble and Charge to the Persons concerned and trading therein, in case a Peer was built or Harbour made at Block Island, which is judged would be very convenient being so near the Fishing Ground for all Vessels to resort to, using the Fishing Trade in order to the Making and Curing their Fish." All which being duly considered the Assembly concluded to issue another large amount of their irredeemable paper. The interest was to be used in the enterprise as specified, the bank being loaned out on land security at five per cent.,

as usual, the amount to each person not to exceed three hundred pounds. The odd four thousand pounds was for cannon and ammunition for Fort George.¹ In urging the reasons for this large issue, the requirements of this fort appear to be the first and principal necessity, after which this appropriation appears ridiculously small. The law expressly provides that as soon as the hundred thousand pounds are printed and signed, they must be loaned, to the people, without waiting for the finishing of the four thousand pounds, which was actually to be used in providing the guns and powder for the fort. The interest of the bank for one year was appropriated for the construction of the pier at Block Island, and Gov. William Wanton, Benjamin Ellery, Col. William Coddington, Mr. Joseph Whipple, Col. Joseph Stanton, Capt. John Potter, Capt. William Wanton, Jr., and Mr. George Goulding, were appointed a committee to construct it.

1. This fort was a regular stone and mortar structure, built on the site of the old Fort Anne, which had formed the pretext for the emission of so many bills. It was a much larger and stronger work than the former one,—it was rather the old Fort Anne, enlarged, strengthened and renamed, than a new structure.





THE SIXTH BANK.

1738.

In the month of August, 1738, another bank, the sixth, was issued. For the bills of this bank a new set of plates¹ was engraved. The denomination of each bill was printed upon the back of it. Six denominations of this issue are presented with this Tract, taken from the original plate. The bills are

1. But three of the original copper plates from which this money was printed are now known to be in existence, and it is from these that the specimens from 1715 to 1738 are taken. There is no record of the engraver or designer of the earlier ones. The plates were ordered to be lodged in the hands of the Governor, (1728,) and there to remain until the person appointed to make the money called for them, and as soon as the money was printed the plates were to be returned to the Governor. In this connection may properly follow an interesting petition from James Franklin, to the General Assembly, relating to the method of printing the bills. The idea of Mr. Franklin was, to print the bills on a letter press, instead of a copper plate press, and by means of designs cast from an engraved model, precisely as now we electotype a wood cut. His proposition was voted out,—he was a hundred years in advance of his time. The notes of the Bank of England are to this day printed precisely as Mr.

smaller in size and more comely in appearance than the former issue. We note also a difference in the legend. On all former issues it had been :

In Te Domine Speramus.

In Thee O Lord we trust.

On this issue the legend was changed in form, as follows :

In Te Domine Speravi.

In Thee O Lord have I trusted.

The former style re-appears on the issue of 1786, the last and most memorable of all the banks.

Franklin proposed to do in the Rhode Island Colony in 1728. This petition is from the archives of the State, and we believe has never before been printed :

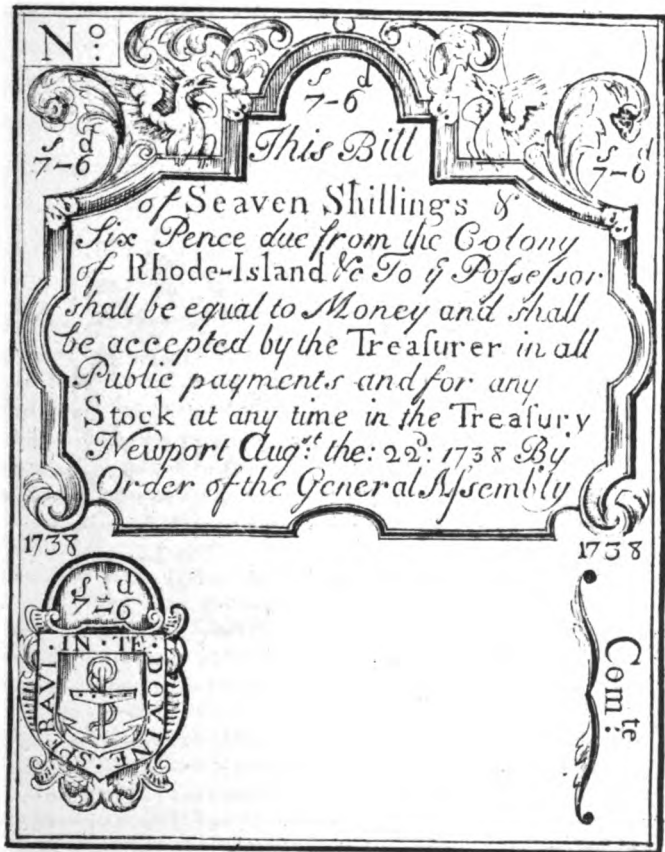
To the Hon'ble Joseph Jencks Esq. Governour, The Hon'ble the Deputy Governour, and the Hon'ble Council and Deputies of his Majesties Colony of Rhode Island and Providence Plantations, in New England, in General Court Assembled

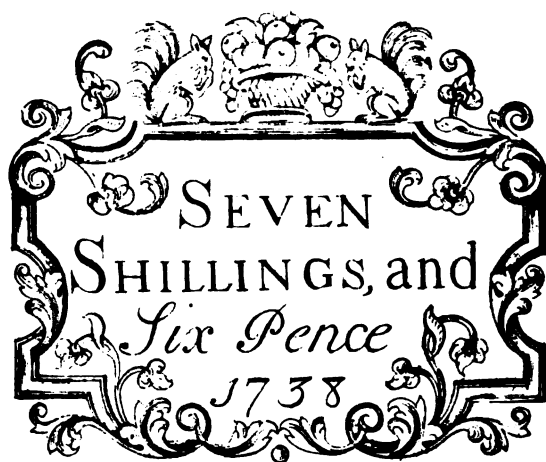
The Humble Petition of James

Franklin of New-port, printer.

Sheweth That the many Inconveniencys which Arise to his Majesties good Subjects in New England, from their Bills of Publick Credit being so often Counterfeited, have put many upon projecting Various Methods to prevent them, but hitherto to no purpose.

Your Petitioner therefore humbly begs leave to Acquaint Your Honours with the Reasons why our Bills of Credit, as they are now printed upon Copper Plates cannot be secured from being Counterfeited, and likewise Propose a Method of Printing them whereby all possible Attempt of that Nature may be for ever prevented.





The reasons assigned for the issue of this bank appear in the preamble to the act in the following words: "Whereas the several Emissions of the Bills of Publick Credit issued by this Government have entirely answered those Ends for which they were emitted, and have tended greatly to the Interest and Advantage of the publick, by encreasing and promoting Trade and encouraging all Kinds of

The first reason is That a Bill Printed upon a Copper Plate is so much like the Stroke of a Pen, and the Ink lying but upon the Surface of the Paper not having so deep an Impression as by the comon Way of Printing Bills of small Denominations have by our comon writing Ink been made larger, and even whole Bills been wrote out so as to Pass many Hands without a Discovery.

Another Reason is, That in a new Counterfelt Plate a false Stroke being made, may be easily mended by Hammering the Plate smooth in the false place only, and going over it again with ye Engraver.

A third is, that more Ink being laid upon a Copper Plate for one Bill than another, makes not only an Inequality in the Colour, of the Bills printed from the same Plate some being very pale and others very Dark, but in the Dark Ones the Letters appear fuller, than in the pale, and the Extream park or Flourishes of every Letter come off on the Paper, to the full extent of the Strokes of the Engraver on the Plate, when in the Pale Bills, the Extream Park of many Letters do not Appear at all, which makes a Manifest Difference in their Shape; insomuch That Persons unacquainted with Printing, and not knowing the reason of this Difference, very often Mistake the true Bills for false, and the false for true; as it now happens with the Ten Shilling Bills of the Province of the Massachusetts Bay; there being a Counterfelt Plate of that Denomination. The Letter (e) in the Word Province being most taken Notice of, the true Bills are taken for false, because the Flourish at the Bottom of the (e) does not Ap-

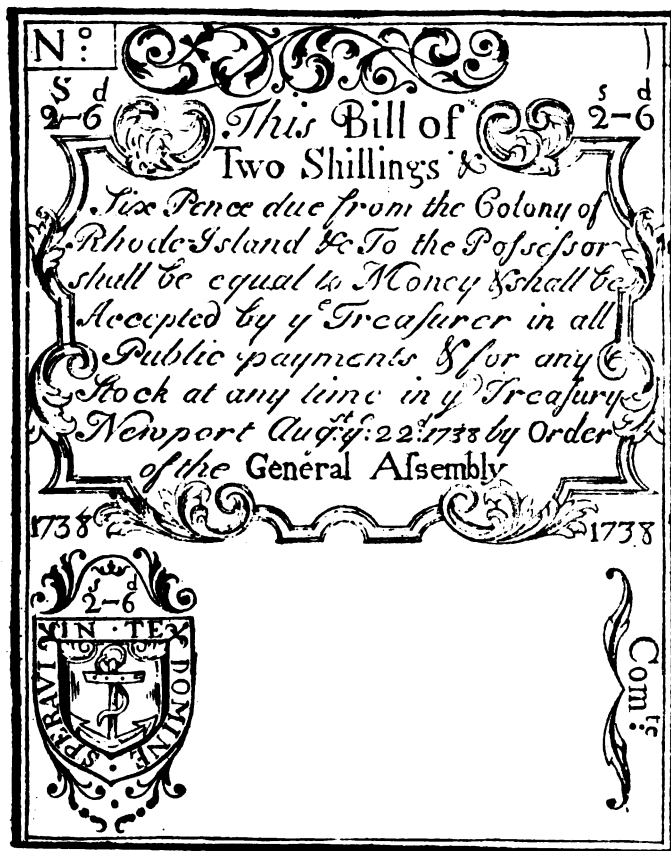
Business. And whereas the Times of Payment of the first Bank emitted (1715) is almost expired, and also near one Half of the second (1721); There is an absolute Necessity of an Addition to the present Medium of Exchange in order to supply those Banks; otherwise Trade and all other Business must inevitably Decay and consequently the Publick would thereby greatly suffer. And whereas the

pear at all in the Pale Bills, and in the Dark it comes off full and plain as your Honours may Perceive by the Comparison of those true Bills. By this means, there being a Manifest Difference in the true Bills, tho' taken from the same Plate, a small difference in the false from the true, is not much taken Notice of.

On the Contrary, the Bills printed after the same manner with the Specimen herewith presented, have so different an Appearance from the Strokes, of a Pen, and the Impression sunk so deep into the Paper, that either to scratch out one Word to put in another, or to Write a whole Bill without a Discovery, will be altogether impossible.

Neither can this Method of Printing the Bills be Counterfeited by a Copper Plate, there being so much difference between Copper Plate Printing and common Printing that even if it were possible, as it is not, to give every Letter and Figure the exact Shape, yet the whole Appearance of the Bill would be so vastly different, that a Careless Observer might Perceive it at first Sight.

And as for the reason above given, a false Stroke on a Copper Plate may be easily mended, so on the Contrary, in the Engraving on the Mettal proper for common Printing, the Ground, or that part of the Cut, which leaves the Paper White, being Cut away, there is no raised substance left in the Mettal but that which makes the Strokes of the Letter or Figure; which makes it impossible to mend the least Mistake, where it is Necessary that any Part of a Letter, &c should be drawn out longer, or made fuller — and besides in this way of En-





Colony House in Newport is so much out of Repair, that the same without great Cost and Charge cannot be refitted ; and as the same at present is very commodious for the Courts to meet in to transact the publick Affairs of this Government, it is judged necessary that a new Colony House should be built ; and there being not Money in the Treasury sufficient for that Purpose. And whereas there is a Necessity

gravng the Mistakes would be so Numerous, that by Beginning the whole again on a new Piece of Mettal, still new Mistakes would be made, insomuch That Your Petitioner Supposes, speaking Moderately, it would take one Man not less than an Age to Produce a passable Counterfelt Bill ; but to Produce one exactly Agreeing in all its parts with a true one Engraven and printed in the manner Proposed, cannot possibly be done ;

Your Honours will percelve, in the Specimens herewith presented, a line of Flowers at the Top and Bottom of the Bill : Your Petitioner Proposes, that Flowers of an irregular Ground be cast, to be placed after the same manner, and likewise some Particular sorts of Letters ; and that the Ground Punches, those for such Flowers and Letters, the Matrices, and such Flowers and Letters themselves, be delivered into the Hands of the Government ; And your Petitioner (If your Honours shall think fit to employ him in this piece of Service to the Country) be under Oath, not to cast any more of such Flowers & Letters than what are for the Governments Use, nor suffer any to be cast or Used in any other work ; By this means the Bills will be forever Secured from being Counterfelted ; For the Nature of Letter Founding is such, That a Man having cut and cast such Flowers and Letters, cannot himselfe by any means do it again, without a Manifest Difference, which will be Obvious to every ones Eye at the first Vision.

The Cutting the Indents and Escutcheons, casting the Flowers and Letters,

of building a Light House at Beaver Tail, which will be of singular Service for Vessels coming into the Harbour in the Night Season, and prevent great Damage which is occasioned for Want thereof. And whereas the Payment of the Interest of the Bank made in the Year 1731 was appropriated for the Use of the Fishery and Hemp Manufactures; and the same being near expired, and considering the Increase of those Manufactures by such an Encouragement, it is judged necessary to make some further Provision for the same. All which being duly Considered, the law was enacted.”¹

Neither the form of the bill, nor the denomina-

as well as Printing the Publick Bills of Credit in the Method above Proposed, may be Performed by Your Petitioner, without the Assistance of any other Person, and much Cheaper than they can be Printed only on the Copper Plates already Engraved. Your Petitioner therefore humbly Prays he may have the Honour of Serving this Hon'ble Court, and his Majesties good Subjects of this Colony in this Affair.

And your Petitioner as in Duty bound
shall ever Pray &c.

Newport, May 2.
1728.

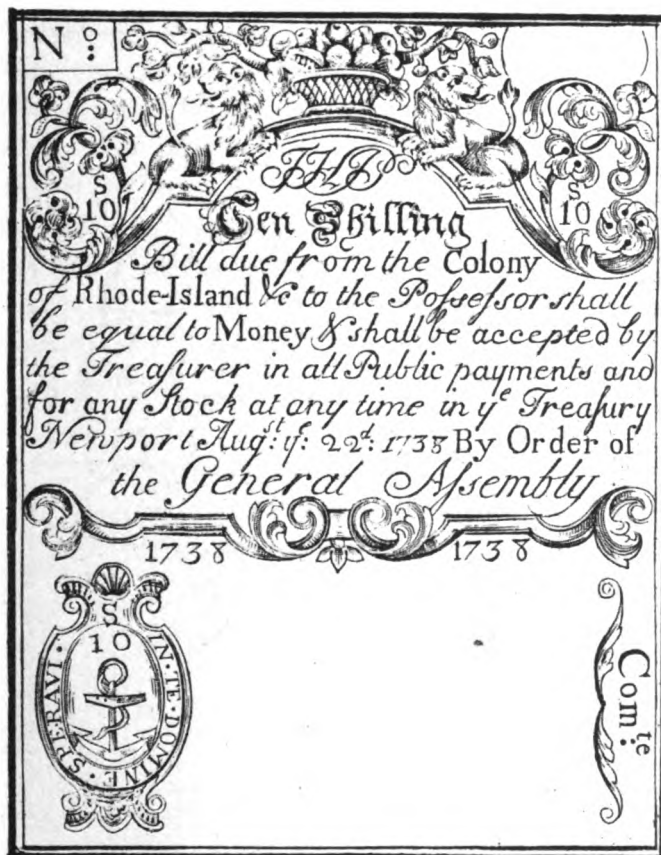
JAMES FRANKLIN.

[Endorsed on the back.]

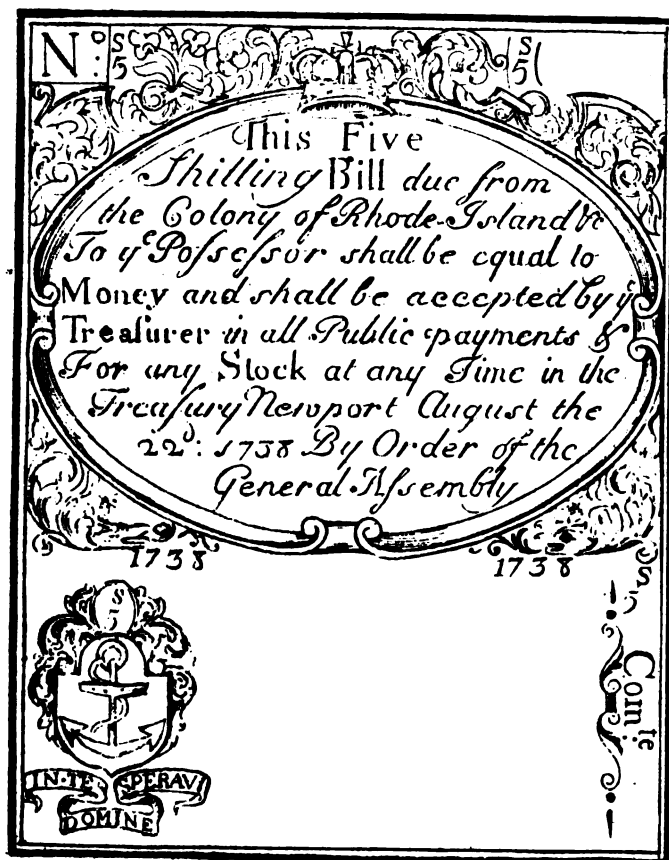
Its the opinion of this house, that this Petition be Voted out. Pr Ordn

J. LYNDON, Clerk.

1. Acts and Laws of His Majesty's Colony of Rhode Island and Providence Plantations. Newport, 1745, p. 211.







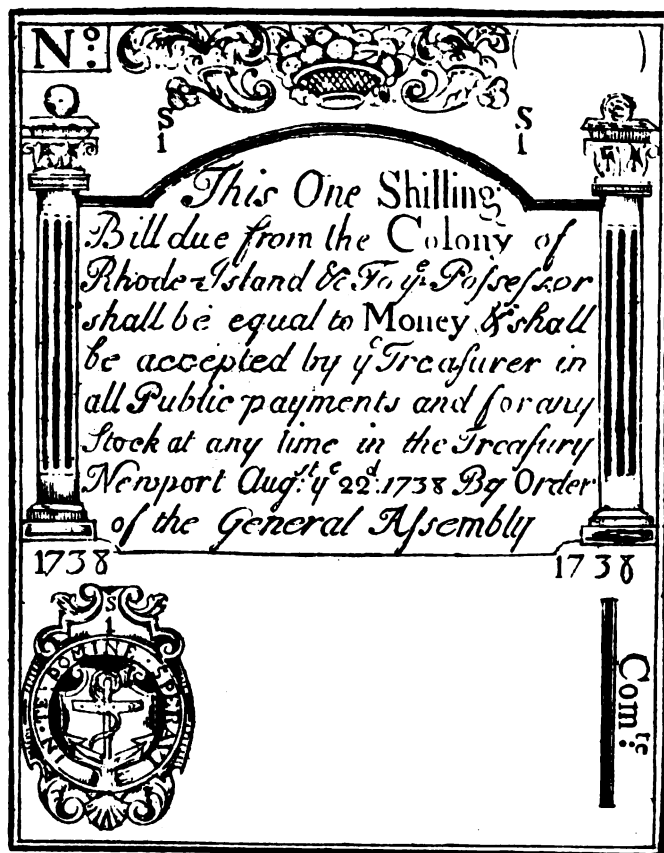


tions to be made, were prescribed by the act. The rate of interest was fixed at five per cent., and the mortgages to be given were to secure both the principal and interest. The sums to be loaned to each person were to be not less than twenty-five pounds, nor more than three hundred pounds, the security to be on real estate, and William Claggett¹ was to be employed to impress the bills. By a report made by a committee of the General Assembly, which is reproduced in the appendix to this Tract, it appears that there had been issued for the supply of the treasury down to October, 1739, upwards of one hundred and fourteen thousand pounds, and in addition to that sum, three thousand pounds to loan

1. William Claggett is chiefly known to the people of this generation as the maker of fine, old-fashioned long clocks, now so highly prized. He was born about 1660, and died October 18, 1749, at Newport. He was admitted a freeman in this Colony in 1726. His shop, and probably his residence, stood in Newport, on the site of the present city hall. He was a prominent member of the Second Baptist Church, of that town, and out of this connection grew the book written by him, entitled "A Looking-Glass for Elder Clarke and Elder Wightman and the Church under their Care," 1721. His son Thomas succeeded him in the clock-making business, and was himself succeeded by his brother-in-law, James Wady. For the most of these particulars, the publisher is indebted to Dr. Henry E. Turner, of Newport, a careful and pains-taking antiquary.

to William Borden.¹ It further appears by this report, that of this sum there had been called in and burnt, upwards of one hundred and five thousand, seven hundred and four pounds, leaving only about eleven thousand, two hundred and ninety-six pounds in circulation. But it must be recollected that this was in addition to the outstanding bills of the several banks that had been issued. The gross amount of those banks was at that time three hundred and

1. William Borden, of Newport, petitioned the General Assembly, in August, 1722, for a bounty for making duck. His petition was granted, amounting to twenty shillings for each bolt, for five years. At the October session, of the same year, the time was extended five years longer, or in all, ten years. In May, 1725, Mr. Borden asked for further assistance, and received a loan of five hundred pounds. (Rhode Island Colonial Records, vol. 4, p. 407.) In June, 1728, Mr. Borden feeling the necessity for further assistance, sent in another petition, stating his inability to carry on the business without further help, and praying for it, that the trade might not be lost. The General Assembly voted to print for him three thousand pounds, he to be at the cost of printing, to have the use of the money without interest, for ten years, and to produce one hundred and fifty bolts of duck per annum. (Rhode Island Colonial Records, vol. 4, p. 455.) In June, 1731, Mr. Borden again appeared, and asked for further help. The General Assembly extended his first loan for ten years longer, without interest, and allowed him to reduce the quantity required by the former resolution of one hundred and fifty bolts, to fifty bolts. The result of these bounties on the production was this: In 1724, eighty-nine bolts; in 1725, one hundred and sixty-five bolts; in 1726, two hundred and two bolts; in 1727, fifty bolts. The amount produced in other years does not appear. A bolt was thirty-five yards.





eighty-four thousand pounds, what amount had been repaid by the borrowers we have no means of accurately determining, but it was probably not large. If the population¹ of the Colony was, at that time, twenty thousand, the public debt would be about fifteen pounds per capita.

1. The population of the Colony was, in 1708 ... 7,181; in 1730 ... 17,935; in 1748 ... 32,773; in 1765 ... 40,414; in 1774 ... 59,707; in 1782 ... 52,347.

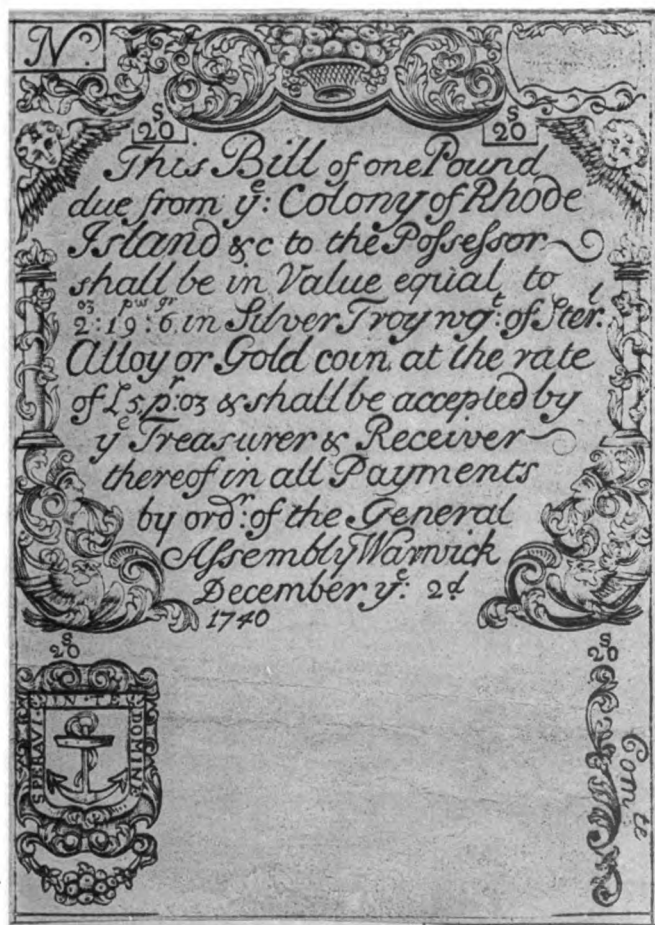
THE SEVENTH BANK.

1740.

In September, 1740, another bank, the seventh, was emitted. It was in amount twenty thousand pounds. The occasion of its issue is best recited in the preamble to the act: "Whereas the Colony¹ labours under great Charge and Expence by encouraging, enlisting and fitting out two Companies of Soldiers according to His Majesty's Instructions for the present Expedition against the Spaniards, and have at their own Cost built and fitted out a private Vessel of War² of good Force to cruize on the Coast

1. Acts and Laws of His Majesty's Colony in Rhode Island and Providence Plantations in New England in America. Newport, 1745, p. 226.

2. This vessel was the Colony Sloop Tartar, whereof Col. John Cranston was made Captain, for her first cruise. She became under his command famous in the annals of Rhode Island. She was of one hundred and fifteen tons burthen, was ordered to be built in February, and finished in June, at a cost to the Colony for the vessel and outfitting of £8,679. She went upon her first cruise, and made her first capture, in July. She mounted twelve carriage guns and twelve swivels, and was sufficiently capacious for a hundred men to engage in



of New England, for the guarding and securing of Shipping and Trade, and now in time of War are under a Necessity for the Preservation of themselves and other Parts of New England to which they are a Barrier to put themselves in a proper Posture of Defence and for the Security of His Majesty's Subjects and Territories here, to furnish themselves with War-like Stores; For the Effecting of which and defraying the constant Charge attending the Inhabitants of this Colony above any other Part of New England a proper and sufficient Medium of Exchange is of absolute Necessity." These bills differed from all former issues, in that the former had merely expressed so many pounds, shillings, or pence, at which they were to pass current, while in this issue the General Assembly further attempted to fix their value in gold or silver coin. Their value, as determined by the law, was to be nine shillings per ounce of sterling alloy (silver), or six pounds, thirteen shillings, and four pence, per ounce of coined gold. This was the beginning of what was known as new tenor bills.

battle on her decks. She served at the siege of Louisburg, under command of Capt. Fones, and was, indeed, in almost constant service until 1748, when, with all her equipments she was ordered sold by auction.

Occasionally a quantity was printed from the old plates, which was known as old tenor. These terms continued to be used until about the year 1758, subsequent to which time all bills were called lawful money bills. The form of the bills were as follows :

This Bill of due from the Colony of Rhode Island &c to the Possessor thereof shall be in value equal to oz.

 dwt. gr. in silver Troy weight of Sterling Alloy or Gold Coin at the Rate of £6 13s. 4d. per ounce or to such a sum, in any medium of exchange as shall be passing in the Government as will be equal to so much Silver or Gold ; and shall be accordingly accepted by the Treasurer of said Colony and the Receiver thereof in all Payments by order of the General Assembly. Newport, September 16, 1740.¹

Instructions having been received by the General

1. Acts and Laws of His Majesty's Colony in Rhode Island and Providence Plantations in New England in America. Newport, 1745, p. 227.

Assembly from the Lords Justices of England to observe the act of the sixth of Anne, which was an act for ascertaining the rate of foreign coins in Her Majesty's Plantations in America, amended the act they had passed the preceding September. The bills were to be loaned, and the borrowers, when the time came, were to make payment in the same bills, or in silver, at six shillings and nine pence per ounce, or in gold, at five pounds per ounce. This value was expressed on the face of the bills. Some difficulty was experienced in arranging the comparative value of old tenor and new tenor.¹ It became necessary for the General Assembly to settle the matter, which

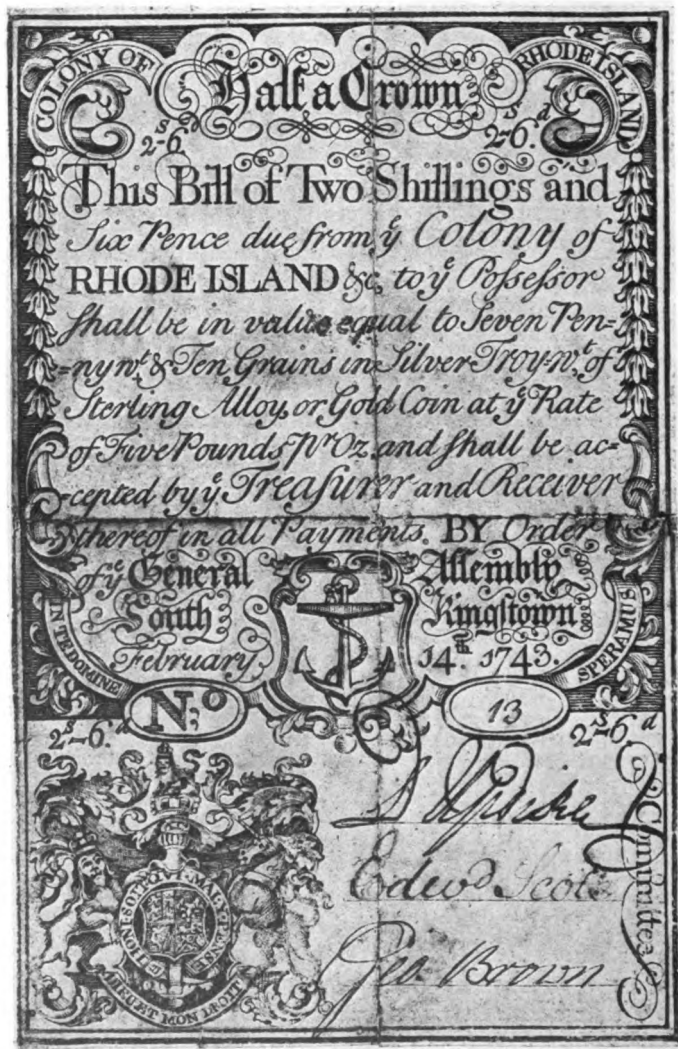
1. The measure of silver by the ounce, indicates well the depreciation of the paper money :

In the year 1710 (First Issue) one ounce of silver equalled Eight shillings in bills.

"	"	1715, First Bank	"	"	"	"	Twelve	"	"
"	"	1721, Second Bank	"	"	"	"	Sixteen	"	"
"	"	1728, Third Bank	"	"	"	"	Eighteen	"	"
"	"	1731, Fourth Bank	"	"	"	"	Twenty-two	"	"
"	"	1733, Fifth Bank	"	"	"	"	Twenty-five	"	"
"	"	1738, Sixth Bank	"	"	"	"	Twenty-seven	"	"
"	"	1740, Seventh Bank	"	"	"	"	Twenty-seven	"	"

These quotations are from the letter of Gov. Richard Ward to the English Board of Trade, January 9, 1740. It appears in full among the documents at the close of this Tract, and also in Rhode Island Colonial Records, vol. 5, p. 8.

was done by an act declaring six shillings and nine pence, new tenor, equivalent to twenty-seven shillings old tenor, or as one is to four. Great difficulty was experienced in collecting the various banks as they became due, on several occasions the General Assembly was obliged to order the mortgages and bonds to be put in suit. In the year 1741 there were five hundred and thirty-nine such suits in the six towns of Providence county, viz. : Providence, Warwick, Greenwich, Smithfield, Scituate, and Gloucester. In the following year, 1742, there were one thousand and forty more such suits instituted in the same towns, but the aggregate sum of these latter suits was only about £3,880.



THE EIGHTH BANK.

1743-4.

THE emission of the eighth bank was ordered in February, 1743~~X~~. Its amount was forty thousand pounds, new tenor. The reasons for its emission are, as usual, recited in the preamble: "Whereas¹ the Colony hath been at great Expence and Charge in putting themselves in a posture of Defence in the present war with Spain, which still subsists, and continually encreases the Publick Demands on the Government, and a war with France being greatly to be feared at this juncture; at which time considering the Scituation of this Colony, and its exposed State and Condition more than common care ought to be taken to secure the same from the Depredations of so formidable Foreign enemies; and at this juncture also the Four Banks emitted by this Colo-

1. Acts and Laws of His Majesty's Colony in Rhode Island and Providence Plantations in New England in America. Newport, 1745, p. 271.

ny in the years 1715, 1721, 1728, and 1731 being sunk and annually sinking, which so lessens the former medium of exchange in this growing Colony¹ that the inhabitants are put to insuperable difficulties for want of a due and proper medium of exchange and to whom therefore, High Publick Rates and Taxes under these Circumstances would be ruinous and it appearing not possible upon due consideration that the publick affairs and concerns of the Government can be put into such a state and condition for the Security and Preservation thereof, against all future Danger as is consistent with the Rules of Prudence and precaution in this Time of difficulty without considerable emission of Bills of Publick Credit." Whereupon they proceeded to print forty thousand pounds, and to loan the same to the people at four per cent. per annum, interest.

1. It is clear that the poorest and most ignorant class of people were the great movers in these almost unlimited issues of money. There are many petitions still existing in the State archives bearing the signatures of such men. These petitions for the issue of a bank were usually written by some educated person, and then circulated in the various towns for signatures. These signatures generally indicate an illiterate people. There is a marked exception to this rule in the case of the issue of the bank of 1733. There is a petition for this bank signed by perhaps a dozen men, but among them appears Joseph Wanton, George Wanton, and William Wanton, Jr.

These bills were to be of the same form as the former new tenor issue, but they were to be printed from newly engraved plates, which the committee were to procure and to cause to be engraved "in the best manner they can." They were to be printed upon the back, and to contain such devices as the committee thought needful to protect them from being counterfeited. A heliotype fac-simile is here presented of one of them, by the kind permission of Mr. Daniel Berkeley Updike, in whose possession it is. It bears, among others, the signature of Daniel Updike, an honored ancestor, and the namesake of its present owner. The following were the denominations issued: Fourpence, sixpence, one shilling, two shillings and sixpence, five shillings, ten shillings, one pound, and two pounds. The style of work as compared with the former issues is far superior. In September, 1744, the General Assembly passed an act assessing a tax of ten thousand pounds, old tenor, upon the inhabitants, assigning as a reason the necessity of putting the Colony in a condition of defence for the war.

The issue of such large amounts of paper money

resulted in cheapening the elective franchise to such an extent that the General Assembly, ever jealous of extending this privilege, passed a law in 1746¹ raising the qualification of voters from two hundred pounds to four hundred pounds. The preamble to the law best explains the reasons for the law: "Whereas the manner of admitting Freemen in this Colony is so lax and their qualifications as to their estates so very low that many Persons are admitted who are possessed with little or no property; and it being greatly to be feared that bribery and corruption hath (by the encouragement of evil minded persons and by reason of such necessitous persons being admitted freemen) spread itself in this government to the great scandal thereof, so that the election of publick Officers hath been greatly influenced thereby."

As the law already made had been found altogether ineffectual to prevent these evils, the property qualification was raised, and severe measures were adopted against offenders—a single fraudulent vote, proved, made the office of Governor vacant. An

1. *Acts and Laws of His Majesty's Colony in Rhode Island and Providence Plantations in New England in America.* Newport, 1752, p. 12.

accused person who refused "to purge himself by his oath or solemn affirmation" was adjudged guilty and sentenced accordingly.

There are many ways in which the depreciation of these bills may be illustrated, but one way which we have not seen used in works relating to financial matters, is by the wolf bounty, which has suggested itself in looking up the old history.

Like most new countries, the Colony, during the early years of its settlement, was infested with these pests, and a bounty of five pounds was given for killing one. This bounty was reduced from time to time until 1696, when it had reached as low a point as ten shillings, but the wolves were on the increase, and it was found necessary, in 1703, to increase the bounty to one pound. Under this stimulus the slaughter increased from a single animal in 1703, to fifty animals during the five years following that year. In 1710 the first paper money was issued, and silver money was at a premium. The killing of wolves again fell off, and they came to be a pest again. The bounty in 1715 was increased to thirty shillings, and produced six animals. The

paper money had lost one-third of its value, people would not for that sum hunt wolves, so that in 1717 it became necessary to give a bounty of five pounds, which in that year produced fifteen animals. As the purchasing power of the bills became less and less, the people hunted less and less, and the wolves had the run of the woods until 1732, when the bounty was increased to ten pounds. Even this nominally large sum, which barely equalled the amount given thirty years before, was ineffective, and in 1739 the bounty was increased to the still larger sum of thirty pounds. Under this stimulus the animals were finally exterminated, but this in not less than a century from the settlement.

Other items of curious interest, illustrative of the times, can be gathered from the old parchment bound colonial cash book, from which many of these details were drawn. The old book itself was in constant use for more than a hundred years, the first entry bearing date October 11, 1710, and the last one May 6, 1812. From it we learn that Captain Sheffield received for compensation, of his company, at the proclaiming of Anne, Queen of England, in 1702, £3 5s. In 1714 Anne died. The Cap-

tain had risen to be a Major, and for proclaiming George the First to be King of England, received £9 15*s*. It is only fair to mention an additional item of expense in the case of the Queen: "For a barrel of syder purchased of James Carder at ye proclaiming of ye Queene for nine shillings." If any such extravagance was indulged in, in the case of the King, it was wisely covered in the single sum.

It was the custom of the sheriff to provide dinners at the meeting of the grand jury. In 1702, for this object the Colony incurred the expense of fifteen shillings. Beef was worth a penny and a half a pound, and wood, with which to cook it, five shillings and sixpence a cord. In 1715 this same grand jury dinner had reached the sum of £2 5*s*, but this was but a mere lunch as compared with 1723, when something like respectability was attained in the sum of £13 13*s*.

In 1749, the Duke of Bedford, by order of the King, applied to Governor Greene for "an account of the tenor and amount of all the bills of credit which have been created and issued in the several British colonies and plantations in America, as well those under proprietors and charters as under His

Majesty's immediate commission and government that shall be then (May 30, 1749) outstanding; distinguishing the amount of the same in each Colony or plantation, the respective times when such bills, so outstanding were issued, with the amount of the said bills in money of Great Britain, both at the times when such bills were issued, and at the time of preparing the said account, and also the times fixed for the calling in, sinking, and discharging such bills and the funds appropriated for that purpose."¹ This request being laid by the Governor before the General Assembly, a committee was appointed to prepare the statement required. Their report appears later in this Tract. We present here a summary of it:—

Outstanding of Bank of 1728,	£8,000	Equal to Sterling,	£727	5s	6d.
"	1731, 12,000	"	1,090	18s	3d.
"	1733, 40,000	"	3,627	5s	6d.
"	1738, 90,000	"	8,181	16s	4d.
"	1740, 80,000	"	7,272	14s	6d.
"	1743, 160,000	"	14,545	9s	1d.
		<hr/>			
Bills Issued to supply the	£390,000	Equal to Sterling,	£35,445	9s	2d.
Treasury, mostly in 1746-7.	£110,444	Equal to Sterling,	£1,040	7s	5d.
		<hr/>			
Nominal Amount.	£500,444	"	£36,485	16s	7d.

1. Rhode Island Colonial Records, vol. 5, p. 278.

The last two items of the outstanding, are put in old tenor, to correspond with the preceding items.

The committee consisted of Peter Bours, Stephen Hopkins, Daniel Jenckes, and Captain Robert Haszard.

This report, no doubt, gave the most favorable view of the case. The bills were probably estimated at their legislative values, and the committee seem to have considered as outstanding only those shares of payments which had not fallen due at the time the report was made, whereas of those portions or payments which had become due, very large amounts remained unpaid, and were with difficulty collected. The recent expedition undertaken by the colonies, which resulted in the capture of Louisburg, had required very large expenditures by the colonies, which were met by the emission of bills of credit. In 1747, Parliament resolved to reimburse the colonies for their outlay, and appropriated eight hundred thousand pounds sterling for the purpose.¹ The proportion of this money coming to the Colony of Rhode Island, would enable her to redeem about

1. Douglass's Historical Summary, London, 1755, vol. 1, p. 528.

sixty thousand pounds of her bills. Other sums, awarded by the home government, and for which bills of exchange were drawn on Richard Partridge, agent for the Colony, in London, would enable the Colony to redeem in all, perhaps seventy-five thousand pounds, but as the amount of bills then outstanding amounted to five hundred and fifty thousand pounds, even these sums were far too small to permit her to redeem her issues and to place her financial affairs upon a specie basis. The amount falling to the Colony of Massachusetts, was very much larger in proportion to her issues, and she was enabled, with the assistance of a heavy tax, to call in all her bills. This she wisely resolved to do. Immediately following these measures the bills of other colonies were prohibited from passing there. The amount of bills of credit issued by the Colony of Massachusetts, and outstanding, at the time of her reimbursement by the British Government, was £2,466,712.¹ She was awarded by the Home Government £183,649 sterling. With this money the Colony proceeded at once to redeem £1,792,236² of her bills, at the rate

1. Douglass's Historical Summary, London, 1755, vol. 1, p. 528.

2. Felt's Mass. Currency, p. 131.

of one to ten, or as we reckoned in the war of the recent rebellion, gold was 1,000. This redemption was followed with a tax sufficient to absorb all remaining bills, then was enacted a law prohibiting the currency of the bills of other colonies within her borders. Her population was at this time 220,000, the tax £712,000,¹ making the amount per capita, about £3 5s. The amount of bills of credit issued by the Colony of Rhode Island, and outstanding at the time of her reimbursement by the British Government, was £550,000. She should have received £16,467,² whereas she actually received at that time £7,800 sterling, with which the committee redeemed £88,725. This would leave outstanding £461,275, a large proportion of which had been in circulation in Massachusetts. The population of the Colony was 33,275; a tax sufficient to have absorbed the remainder would have amounted to nearly £14 per capita. It will thus be seen that however much the Colony of Rhode Island might desire, she was in no condition to follow the course accepted by the Colo-

1. Douglass's Historical Summary, London, 1755, vol. 2, p. 509.

2. Arnold's History of Rhode Island, vol. 2, p. 171.

ny of Massachusetts, but she did what she could in the right direction.

Many persons considered the change from paper to specie too sudden, and the operation of the law was indeed postponed several times, but no shock came to Massachusetts, it fell rather upon Rhode Island. A severe commercial revulsion followed, by reason of the loss to Rhode Island of her trade with the West Indies, in which she had been engaged, exporting her products and importing such as the West Indies produced and the neighboring colonies required. The measures taken in Massachusetts, produced, as might have been expected, a great effect upon the value of the bills of credit of Rhode Island. They depreciated to nearly one-half their former value, disturbing all commercial relations throughout the Colony. Soon following came the failure of the Honorable Joseph Whipple, then Deputy-Governor, and an eminent merchant, residing at Newport. He was the son of Joseph Whipple, who had been very largely engaged in commerce, and acquired a large property. He was intimately connected with the government of the Colony. His

name appears to be honorably associated with many enterprises. Mr. Whipple, Jr., was married to Miss Sarah Redwood, a daughter of Abraham Redwood, March 1, 1721. He served in the General Assembly, and in various other positions, until he became Deputy Governor, in 1743, and again in 1746, and still again in 1751. On the event of his failure, he resigned his office, and petitioned the General Assembly for relief, which was granted to him.¹ From this blow he never recovered. He be-

1. The Petition of Mr. Whipple for relief has never been printed. His was the first large mercantile failure in the Colony, and his petition is sufficiently interesting to be presented :

Rhode Island &c. To The Hon'ble the General Assembly of His Majesty's Colony of Rhode Island &c now convened in Newport :

The Petition of Joseph Whipple of Newport
in the County of Newport Esqr humbly
Sheweth

That a few years past my hon'd Father died possessed of a very large estate consisting of lands and movables which hath since fallen into the hands of your petitioner, but so heavily charged with debts that the amount of them even to this day remains a secret. Your petitioner who believing himself until very lately to be owner of a very Plentiful & large Fortune adventured too much into mercantile risques in hopes of increasing the same, but providentially lost many thousands of pounds that way, believing at that time he hazarded nothing but his own, and now finding that those losses together with s'd estates being so greatly loaded with debts before he came into it, that he is altogether rendered incapable of paying the whole, but is intirely willing with the utmost

came intemperate, and was drowned from the Point bridge, while returning from the theatre on the Point, in 1761,

In the year 1748, the amount of bills burnt, by order of the General Assembly, reached the large amount of £88,725, a sum nearly as large as the

sincerity & truth to resign up all for the use of his creditors, so that they may receive all that can be rationally expected or that men of common Humanity can require and therefore humbly prays that under the solemn engagement of an oath he may be permitted according to the direction in a bill preferred to your Honours and this morning voted to be continued to the next session, to deliver up all his estate both real and personal of every nature and kind whatever even under penalty of suffering in the most ignominious manner the pains of death, should he in the least degree knowingly violate said oath and that the s'd estate be wholly assigned and appropriated in all respects as directed in said bill and that the Judges and Commissioners therein referred to be wholly directed and governed by the same, and as this affair is of the utmost consequence & requires a speedy determination. Your petitioner further prays that your Honours will be pleased immediately to take the premises into consideration, and your petitioner shall ever pray &c.

JOS. WHIPPLE.

August 23 1763 To the House of Mag'sts Gen't: Resolved that this petition be Granted Voted & pas't pr order

J. LYNDON, Clk.

In the House of Mag'sts Aug't 23, 1763. Read and concurred with.

THO. WARD, Secry.

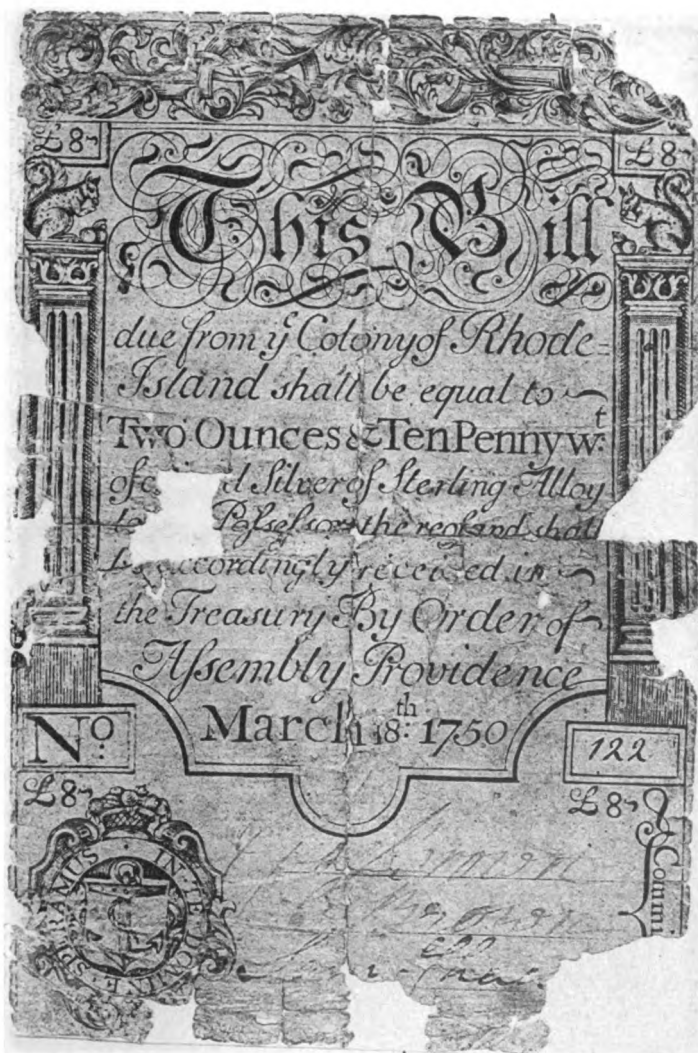
Arnold, in his Hist. of R. I., vol. 2, p. 186, makes the following mention of this petition: "The terms of his petition are truly pathetic, such as, under the circumstances, and in an age when failures were almost unknown, an honest and honorable man in his position might well employ." Mr. Whipple and his father had held offices of trust under the colonial government for many years, and in many ways, but from this date their names disappear from the records.

aggregate amount burnt in the preceding thirty-four years. The first burning of the bills appears to have taken place in 1714, and the entire amount from that time, and including 1747, amounts to £105,714. Some of these bills were, of course, the tenth monies of the banks, but probably a much larger amount consisted of torn and ragged bills, for the exchanging of which, several large emissions had been made. An incident which occurred about this time, in connection with the tenth money, so well illustrates the methods of the times, that we incorporate it into our narrative: In October, 1748, Joseph Turpin sent his petition to the General Assembly, representing that he "casually fell into the water," on the 21st of the preceding May, on which occasion he had in his possession a quantity of bills of credit, which he thereby lost, and for which he prayed to be reimbursed. The Assembly voted him eighty-eight pounds, to be paid to him by Benjamin Nichols, the Colonial Treasurer, out of the tenth monies paid into the treasury to be burnt, and upon the production of Mr. Turpin's receipt for the same, the Treasurer to have credit for "said sum the same as if burnt."

THE NINTH BANK.

1750.

The law creating this emission was enacted in March, 1750. The reasons are assigned in the preamble:
"Whereas it is conceived, that giving a proper encouragement for the raising of Flax and Wool and manufacturing the same into cloth will greatly conduce to promote Frugality and industry, and as a consequence whereof it may justly be expected that the vacant Lands within the Colony now unimproved and lying waste, occasioned in some measure by the late long and tedious war, may be greatly improved to the advantage and interest of His Majesty's subjects, the inhabitants of this Colony, and they under such bitter circumstances be therefore inabled in case of another war, not only to defend and protect themselves, but also greatly to distress and annoy



His Majesty's enemies in these parts. And Whereas the carrying on the Whale and Cod Fishery within this Colony will not only much promote and increase the trade and commerce thereof, but amongst other things may be very beneficial to merchants and others trading to Great Britain, by furnishing them with proper remittances for the payment of such goods and merchandizes as the inhabitants of this Colony may from time to time stand in need of from thence. It is therefore conceived that a proper premium or bounty may be necessary as an encouragement for the purpose aforesaid.

"And whereas the Colony hath been at great and expensive costs and charge in putting themselves in a posture of defence in the late war and that the Treasury is thereby near exhausted, and no fund therein sufficient or adequate to answer such good, useful and beneficial ends and purposes as are designed and intended by this act. It is apprehended therefore that there is a necessity of making and emitting the sum of Twenty-Five Thousand Pounds in Bills of publick credit of the Tenor and Form hereafter expressed.

"And whereas it hath been found by sad experience that one great and principal cause of the depreciation of the Bills of Publick Credit already emitted hath been owing to the indiscreet and illegal practices of sundry persons giving and offering from time to time for gold and silver, and Bills of Exchange for sterling money, greater and larger sums and proportions of the Bills of Publick Credit of this Colony than was provided for, stated and allowed, for such silver and gold at the respective times the several emissions were made; and which not only sunk in value such bills of Publick Credit to the injury and oppression of many poor widows, orphans and others, but thereby the gold and silver hath been drawn and carried out of this Colony to the great discouragement and prejudice of Trade and Commerce and which practices are still carrying on; It is therefore conceived of the highest importance that such evil practices for the future be restrained."¹

All which, being duly considered, the General

1. Acts and Laws of His Majesty's Colony in Rhode Island and Providence Plantations in New England in America. From Anno, 1745, to Anno, 1752. Folio, p. 83. Newport, 1752.

Assembly ordered the specified amount made and issued. The bills were to be of the following form :

By a Law of the Colony of Rhode Island &c made and passed the third Monday of March A. D. 1750. This Bill of due to the Possessor thereof from the Colony, shall pass current and be equivalent to the respective proportions of silver and gold as are regulated and stated in said Act and shall be accordingly accepted by the Treasurer of said Colony and the Receiver thereof, in all payments. Providence, March the 18th, 1750.¹

Death to Counterfeit this Bill.

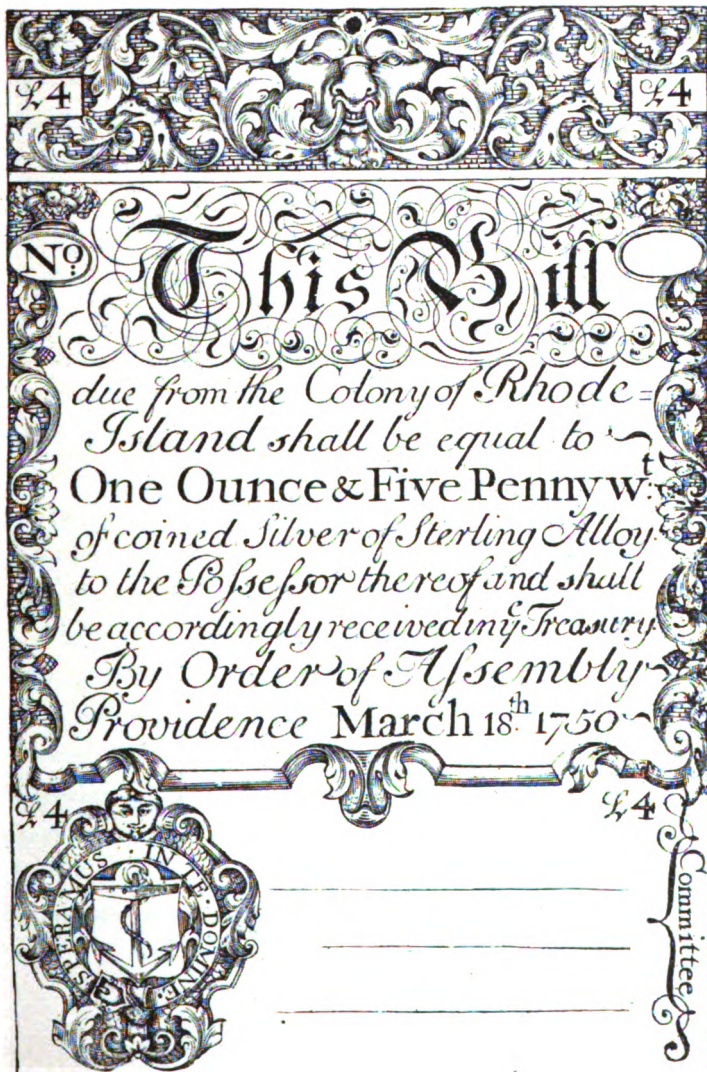
New plates were ordered to be engraved, as no former ones were of the prescribed form. The following denominations were ordered: Threepence, sixpence, one shilling, two shillings and sixpence,

1. This is the form presented by the law, but no specimen is now known to be in existence. Possibly it was not issued.

three shillings and ninepence, seven shillings and sixpence, fifteen shillings, and twenty-five shillings. Several of these denominations had never before been made.

The General Assembly then proceeded to make a rate in which this money should be held. It was as follows: £137 10s = £275 new tenor = £1,100 old tenor = £100 sterling, and upon any person "either by themselves, or by the procurement of others, wittingly or willingly, directly or indirectly, shall, after the 10th day of May, 1750, contract for, settle, account, allow, receive, take or pay, at any greater or higher rate for any silver, gold, or Bills of Exchange, than at which the same is hereby regulated, settled and allowed," shall be fined fifty pounds for such offence.

The bounties provided were for every pound of well-cured and clean-dressed flax, a penny and a half should be given, and for every piece of linen, twenty yards long and one yard wide, one-third of its appraised value by the respective justices, should be given the maker, who should also receive back the linen, but cut in two pieces in the middle.



And for every pound of wool raised in this Colony and manufactured into broadcloth, duroy, serge, or camblet, sixpence should be given. If the same were manufactured into flannel, threepence should be given. The broadcloth was to be thirty yards in length, and three-quarters of a yard wide. The other pieces, as named, were to be twenty-four yards long and all were to be cut in two pieces in the middle before returning.

For every barrel of whale oil, four shillings were given, and for every pound of whalebone, one shilling. For every quintal of good, merchantable codfish, two shillings and sixpence.

The following year, in June, 1751, the General Assembly having discovered that the bounties given by this law for all manufactured wool into cloth, might, if carried into execution, "draw the displeasure of Great Britain upon the Colony, since it would interfere with her most favorite manufacture, and as the giving a bounty on flax and the whale and codfishery,¹ having been already tried in this Colony,

1. The law of 1731, issuing the Fourth Bank, provided bounties for hemp, flax, whale oil, whalebone, and codfish. The effect of these bounties is shown

and have not been found beneficial," repealed all of them.

It was further provided that sixty-four shillings in old tenor bills should be equal to one ounce of coined silver or sterling alloy, instead of fifty-four, as the former law prescribed. Furthermore, the form of the bill was changed, and that which precedes this article was substituted. The denominations were also changed, and instead of being expressed in pounds, shillings and pence, as usual, they were expressed in weights of silver, thus: A bill equal to five ounces; one equal to two ounces and ten pennyweights; one ounce and five pennyweights; twelve pennyweights and twelve grains; six pennyweights

in a note, on page 32, *ante*. Some further information concerning the year 1733, has presented itself since the note was written. The Colony paid a tax on 19,013 pounds of flax. The largest grower was Jonathan Sprague, of Providence, but of that part of the town which subsequently became Smithfield. The record says he presented "seventeen bills all sowed together wtt 1,249½ pounds & put on file." Stephen Hopkins was second, with 915¼ pounds. He came from Scituate. Of manufactured hemp, the Colony paid for 1,589 pounds. The largest growers were Nickls Shelding, (sic,) 401 pounds; Pardon Tillinghast, 430 pounds, and Bengemen Greene, (sic,) 300 pounds. Stephen Hopkins came in with 104 pounds. Of codfish, there were 144 quintals, of which Nicholas Power was the largest catcher, having 68½ quintals. There was no whale oil nor whalebone.

and six grains ; two pennyweights and twelve grains ; one pennyweight and thirteen grains, and one of fifteen grains. And upon the back of each bill, its value in old tenor, thus : On the denomination of two ounces and ten pennyweights, "This bill is equal to sixteen pounds old tenor." This is the denomination of which a heliotype is presented herewith.¹ The eight pounds upon its face is its value (or desired value) in new tenor. There were other changes in this law, but they were of minor consequence as compared with those mentioned.²

Still further illustrations of the depreciation of this paper money at sundry times may be shown by the following facts : By an act of Massachusetts, in 1748, a Spanish piece of eight was fixed at six shillings. It was worth at that time, in sterling, four shillings and sixpence. In 1750, exchange on London was, in Massachusetts, eleven and a half to one ; this was in April. In September, the same year, it was nine and a half to one. In this same April, Massachusetts and Rhode Island bills were at par

1. For the loan of the original, the publisher is indebted to Col. Thomas Lincoln Casey, U. S. Army, Washington, D. C.

2. Acts and Laws, ed. of 1752, p. 100.

with each other, but in the September specified, the Rhode Island bills had fallen twenty per cent. below the Massachusetts bills. A Spanish piece of eight sold in Massachusetts for forty-five shillings, but in Rhode Island, fifty-six shillings were demanded for it, both in old tenor. In 1752, the General Assembly of Rhode Island declared the value of a Spanish milled dollar to be equal to fifty-six shillings, old tenor, of their bills; this had been the intent of the act of 1751. In 1764, one dollar = four shillings and sixpence, sterling, = six shillings, lawful money. New England currency, six shillings to a dollar, dates from this period. In 1769, six shillings, lawful money, was reckoned equal to eight pounds, old tenor, in payment of a tax which had been levied. On and after January 1, 1771, old tenor ceased to be current in the Colony, but were ordered into the treasury to be exchanged for treasury notes at the rate last mentioned.

HOW THE ISSUE OF BANKS
WAS
STOPPED BY THE ENGLISH GOVERNMENT.
1750.

The ninth bank was the last issued by the Colony of Rhode Island. The tenth was issued by the State of Rhode Island, after the Revolution. Scarcely was the money of the ninth bank loaned before the people were again clamoring at the doors of the General Assembly for another bank. The ninth was issued in March. In August, numberless petitions had been presented, and action was taken upon them in that month. The House of Representatives, then called the House of Deputies, passed the following resolution¹: "Resolved that the sum of Fifty Thousand Pounds in Bills of Publick Credit new Tenor, be emitted by this Colony, to be let out

1. Journal of the House of Deputies, August 24, 1750.

upon Loan & that John Walton Esqr, Capt. Jno. Andrews, Job Randal Esqr, Jos. Nichols Esqr and Mr. Matthew Robinson or the Major Part of them be a Com^{tee} to prepare a Bill & present it to this Assembly as soon as conviently may be." The Assembly adjourned, to meet on the 24th of September following. On that day a sufficient number of Deputies appeared, to adjourn, but there not being an Upper House the Assembly was discontinued. These are the words of the records. The committee appointed as above, drafted the law required, and it still remains in the office of the Secretary of State, in the condition in which they left it, no further action being taken upon it. For these reasons, no sooner had the August session of the Assembly expired, than a petition to the King¹ was prepared and signed by seventy-two citizens of the Colony, many of whom were among those now best known to us.

This petition, after setting forth the evils under which the Colony was laboring, says: "That the landholders of this Colony having generally mortgaged their farms or plantations as a security for the

1. Rhode Island Colonial Records, vol, 5, p. 311.

Bills of Credit they have taken upon Loan have found it their interest to multiply such Bills that they may depreciate and lessen in value ; and which they have recourse to, as a legal expedient of wiping away their debts without labour, whereby the laudable spirit of industry is greatly extinguished and Your Majesty's subjects greatly discouraged for want of Produce and Remittances.

"Sensible of the misfortune and hardships we labour under we do therefore most humbly pray Your Majesty, that the Legislature or Authority of this Government may be prevented and effectually restrained from making or remitting any more Bills of Public Credit upon Loan without Your Majesty's Royal Permission ; and be commanded to stop and recal this intended Emission of August last¹ from circulating or being offered or taken in Payment of Debts or from passing any Acts whereby any extant Bills of Public Credit may be either debased in

1. The petition, as given in the R. I. Col. Rec., vol. 5, p. 311, bears date "Newport on Rhode Island, 4th September, 1750." No such date, however, appears upon the pamphlet from which these facts are gathered, yet that date is doubtless correct.

value or postponed in their period of being drawn in," etc.

The following resolutions were passed by the House of Commons, March 12, 1750-1 :

"RESOLVED, That the value of silver in the Colony of Rhode Island hath between the years 1742 and 1749 varied from 285 or thereabouts (the value in 1742) to 605 per oz. or thereabouts (the value in 1749) and that in 1742 the Exchange between England and Rhode Island was from £500 to £550 Rhode Island Currency for £100 sterling, and in the year 1749 the Exchange was from £1,050 to £1,100 Rhode Island Currency for £100 Sterling in England.

"RESOLVED, That in the four Governments of New England, viz., the Massachusetts Bay, New Hampshire, Rhode Island and Connecticut, the Bills of Credit issued in one Government have a promiscuous Currency in the other three Governments; and experience has shewn it to be impracticable to prevent the Introduction of Bills of Credit issued in one Government into the other three without an Act of the Parliament of Great Britain.

"RESOLVED, That the great Rise in the Value of

Silver and in the Exchange, occasioned by the repeated Emissions of Paper Bills of Credit particularly in Rhode Island hath been the means of defrauding the Creditors in all the four Governments of great Part of their Property and by introducing Confusion into Dealings, hath proved a great Discouragement to the Trade of these Kingdoms.

"RESOLVED, That notwithstanding repeated Notices of the Sense of this House, the said Colony of Rhode Island on the third of August last¹ passed a Vote for emitting of £50,000 in Bills of public Credit, of a new Tenor, equal to £400,000 Currency, to be let out upon Loan, in Contempt and Defiance of the Authority of His Majesty and this House, contrary to the Representations and Remonstrances of many of their own Inhabitants, to the further Depreciation of their Currency and the Defrauding of the Creditors of all the four Colonies.

"RESOLVED, That in order to remedy the growing Inconveniences of Paper Currency the Bills of Credit in His Majesty's Colonies or Plantations of

1. The General Assembly met on the third Monday in August, and the resolution to issue the bank, passed only the Lower House, or House of Deputies.

Rhode Island and Providence Plantations, Connecticut, the Massachusetts Bay, and New Hampshire in America be regulated and restrained.

"ORDERED, That a Bill be brought in pursuant to the said Resolutions, and that Sir William Calvert, Mr. Bayntun, Mr. Beckford, and Mr. Alderman Baker do prepare and bring in the same."

The bill called for in these resolutions was prepared and presented to Parliament. It was entitled: "A Bill to regulate and restrain Paper Bills of Credit in His Majesty's Colonies or Plantations of Rhode Island and Providence Plantations, Connecticut, the Massachusetts Bay and New Hampshire in America, and to prevent the same being legal tenders in payments of Money."

It prohibited absolutely, the issue of bills of credit by the colonial government, of any kind or denomination whatever, subsequently to September 29, 1751. It also prohibited the passing of any law postponing the time of payment of bills already issued and ordered the bills to be called in at maturity of the loans.

It provided that with the consent of His Majesty's

government, sums might be issued for the current expenses of the Colony, provided reasonable provision for their calling in was made, and within two years.

It further provided that in case of sudden extraordinary emergencies, as in war, or an invasion by the Indians or other enemies, the colonial government, with the consent of the home government, could issue such sums as were required, "due care being taken to ascertain the real value of all such principal sum or sums for which the same shall be so made, created, and issued as aforesaid, and so as care be likewise taken in the said act or acts to establish and provide an ample and sufficient fund for the calling in, discharging and sinking within short and reasonable time," to-wit, five years, such sums so issued. It further declared that no bills of credit, either issued or to be issued, should be a legal tender for the payment of debts from and after the date above given. If any governor gave his consent to laws contrary to the provisions of this act, he lost his office and was disqualified from holding office, thus making it obligatory under the pain of

disfranchisement upon the governor to exercise a power, which the same government only twenty years previously maintained that he did not possess.¹

These documents reached the Colony in the spring of 1751, and were laid before the Assembly at their June session. They created profound sensation. Two committees were at once created, one to investigate the signers, "who call themselves inhabitants of this Colony," and the other to disprove the allegations contained in the petition. The reports of these committees can both be seen in the Colonial Records.²

The General Assembly at the same session, June, 1751, directed the secretary to cause to be printed³ the Petition, the Resolutions of the House of Commons, and the bill presented to Parliament in consequence thereof, and which subsequently became a law.⁴ The proposed bank of fifty thousand pounds was never issued, nor were there any more sums

1. Reply to Gov. Jenckes, *ante*, p. 29; also R. I. Col. Rec., vol. 4, p. 461.

2. Rhode Island Colonial Records, vol. 5, pp. 330, 334.

3. Rhode Island Colonial Records, vol. 5, p. 331.

4. English Statutes, ch. 53, 24 yr. George 2nd, 1751.

issued as loans or banks while Rhode Island remained a dependency of the British crown.

Large sums were afterwards issued, as in the case of the Crown Point money, but they were issued under the provisions of the act of Parliament of 1751, and were soon called in. As a matter of fact, the Crown Point money was the only large issue subsequent to the law and before the Revolution.¹

1. Singularly enough, while these sheets were passing through the press, the pamphlet from which many of the facts in this section of our Tract were taken, was discovered and presented to the publisher by the Hon. John H. Stiness, Associate Justice of the Supreme Court. It is a folio of six pages, one of the two hundred copies ordered in the resolution above referred to. So far as now known it is the only complete copy in existence.

COUNTERFEITING THE BILLS AND THE PUNISHMENT THEREFOR.

Very early in the history of the bills of credit, the crime of counterfeiting them appears to have existed ; punishments were prescribed in 1710. The offender was to "suffer the pains of having his ears cropped, to be whipped or fined at discretion and imprisoned as the nature of the offence requires, and to pay double damage to the persons defrauded." In case the offender had no estate, he should be set at work, or sold for any term of years which the discretion of the judges considered satisfactory.

In 1743 the law was somewhat changed. The offender was to have both ears cropped, each cheek branded with the letter R., to be pilloried, to pay double damage to the defrauded, and to forfeit all his estate, the same to be sold by the General Treasurer within two months after conviction. Offenders

who had no estate were either set to work or sold out of the Colony for a term of years, at the discretion of the judges. The bills of the ninth bank were to bear the inscription, "Death to Counterfeit." The law under which the issue was made prescribed that the offender should suffer the pains of death. This was in 1750. At a later period, in 1755, the whole law against counterfeiting was re-written and re-enacted, without however much change in the penalties inflicted. Its preamble being of interest, here follows¹: "Whereas notwithstanding all the Laws which have been heretofore made by the Colony to prevent the counterfeiting and altering Bills of Publick Credit and against uttering the same knowing them to be counterfeited or altered, it often happens that the same are counterfeited, altered, and knowingly uttered; and forasmuch as daring and abandoned Villains have not hitherto been sufficiently deterred from counterfeiting such Bills, but have continued in such wicked practice, and greatly imposed upon and Cheated many honest people thereby which

1. Acts and Laws of the English Colony of Rhode Island and Providence Plantations in New England in America. Newport, 1767, p. 33.

makes it necessary for the Good of Society that some more severe and exemplary punishment should be inflicted on those who are the first agents and Instruments in so growing an evil," whereupon the penalties before enumerated were practically re-enacted.

Notwithstanding these severe penalties the offence was of frequent occurrence. In October, 1770, Kings County Jail was broken open in the night by a number of people in disguise, and several prisoners, one of whom was under sentence of hanging, were released, and made their escape on horses, which their friends had provided for them. Most of these prisoners were in confinement for counterfeiting.

By far the most famous case of counterfeiting was that of Edward and Silas Greenman. It is this case which is referred to by Douglass,¹ wherein he charges that one of the legislature, a signer of the bills, was convicted of signing counterfeit bills.²

1. Douglass's Historical Summary, London, 1755, vol. 2, p. 87.

2. Edward Greenman was a member of the House of Representatives in 1709-10. The first bank was issued in the latter year, but neither the records nor the law exhibit his name as either a signer of the bills or a trustee for the

The case is also alluded to in the report of 1739. The offence occurred in 1718. A fine of six hundred pounds was imposed, and paid, and a further sum of fifteen hundred pounds deposited with the treasurer with which to take up the counterfeits, which in this case, since the parties had property, were worth twice as much as the genuine bills. After the lapse of some ten years, the Greenmans petitioned to have the balance in the hands of the treasurer and not used, nor then likely to be used, returned. This was done, and the extraordinary certificate below, given to one of the offenders.¹

loaning of the same. Silas does not ever appear to have been a member of the General Assembly, nor does Edward, with the exception of the year mentioned. Edward was the first borrower of the loan of 1715, in his town. These facts do not appear to quite sustain the statement of Douglass.

1. We the Subscribers well knowing Mr. Silas Greenman of Stonington late of this Colony Do upon our certain knowledge Declare that the said Silas Greenman was from his youth up, till his leaving this Government, save in that one case of counterfeiting of Bills always Deemed and accounted a man of sobriety and of Just and honest principles and as such behaved himself amongst us, and is still in good repute for Honesty & Justice in his Dealings.

Witness our hands this 19th day of February, 1727-8.

Wm. Wanton,	Wm. Coddington,	Benj. Ellery,
Arnold Collins,	George Goulding,	Rich'd Ward,
Daniel Updike,	Henry Tew,	Simon Pease,
Wm. Dyre,	Sam'l Vernon,	Jam's Brown,
	John Coddington.	

FROM THE NINTH BANK, 1750, TO THE
TENTH BANK, 1786.

In 1755 came the expedition against Crown Point, and in obedience to His Majesty's royal will and pleasure, for it the Colony of Rhode Island furnished, in proportion to her population, a large quota. The expense for this force bore heavily upon the already crippled Colony, and apparently no other way existed of meeting the emergency than by the issue of bills of credit. This was accordingly done. Two hundred and forty thousand pounds, known as Crown Point money, were issued between March and December of that year. A tax of eighty thousand pounds was assessed in October of the same year, to redeem the Crown Point money, and within two years it was all redeemed in obedience to the act of Parliament, one dollar in specie being

paid by the treasurer for every four pounds old tenor. A portion however was exchanged for treasury notes. The rate of interest was as usual, five per cent.

In 1756 came what was known as lawful money. The first emission of these bills was made in February, and comprised eight thousand pounds, to be equal in value to the lawful money of the Province of Massachusetts Bay and of the Colony of Connecticut, the General Assembly not having at that time and not until June, 1763, declared what should be lawful money in the Colony of Rhode Island. These bills were printed from movable types, and not from engraved plates, as had been the case previously. They were of the following form :

The possessor of this bill shall be paid
by the treasurer of the Colony of
Rhode Island Lawful money at
the rate of six shillings and eight
pence for one ounce of silver, within
two years from the date hereof. By
Order of Assembly the 27th of February
1756.

The denominations were sixpence, ninepence, one shilling, two shillings, three shillings, five shillings, ten shillings, twenty shillings and twenty-five shillings.

The General Assembly also declared that all moneys received from England, to reimburse the Colony for its outlay in the Crown Point expedition, should be applied to the redemption of the Crown Point money. In August, 1756, there were received six chests of silver and one chest of gold, amounting to upwards of six thousand six hundred and eighty-five pounds sterling, which sum was so applied. In 1761, there were received four thousand five hundred pounds sterling, which was also applied to the same purpose.

In August, 1759, upon the settling up of the paper money or grand committee office, the bonds which had been sued and the writs returned *non est inventus*, amounted to £41,869; unsatisfied judgments on bonds, £8,400, and about £35,000 in bonds were lodged in the hands of sundry individuals for collection.

In August, 1762, by a report of a committee of

the General Assembly, there appears to be outstanding of old tenor bills, upwards of £93,688; of Crown Point, old tenor, upwards of £2,322; and of lawful money, upwards of £66,404. These sums however do not include any of the banks, of which there had been nine issued.

From time to time acts were passed, calling in bills of the different emissions and giving to the holders of them treasury notes, when no other means were at hand. These notes usually depreciated to about the same extent that the bills had done. In September, 1764, old tenor bills were ordered to be received in payment of a tax, at the rate of twenty-three and one-third for one of lawful money.

There being no law declaring what was lawful money in the Colony of Rhode Island, the General Assembly proceeded, in June, 1763, to remedy the difficulty. The preamble to the law sets forth the reasons for it: "Whereas notwithstanding an act of Parliament made in the Sixth Year of her late

1. Acts and Laws of the English Colony of Rhode Island and Providence Plantations in New England in America. Newport, 1767, p. 165.

Majesty Queen Anne, entitled An Act for ascertaining the rate of foreign Coins in Her Majesty's Plantations in America there is no Act of this Colony declaring what is or shall be lawful money of this Colony; for want whereof as a standard in Contracts and Dealings much uncertainty and Confusion have been occasioned; and whereas also great Quantities of Paper Bills of Credit by virtue of acts of Assembly have been from time to time created and issued on loan and otherwise which by the respective Acts for creating and issuing the same must soon be called in, discharged and sunk; and whereas the said paper bills of credit have been considered as a medium of trade and a measure in dealings, in lieu of money whereby obligations and securities have been made and given and debts contracted in said bills, which, from a scarcity of those Bills that must unavoidably happen near the expiration of the several terms for which they were issued cannot be discharged and paid in the Bills themselves; and as great contests and disputes may arise between Creditors and Debtors what shall be a true equivalent in Lawful Money for such debts contracted in Paper

Bills," it is the province of the Assembly to decide. It therefore makes gold and silver coin, the only lawful money in the Colony, and that all securities and contracts, all book accounts, were to be in lawful money unless otherwise specified, and it further declared the value in lawful money of such coins as had usually found their way into the Colony.¹

Any person detected in taking or paying any of these coins at other than their value as fixed by this law, were subjected to a penalty of six pounds. For the assistance of the courts in ascertaining the value of old tenor bills, in cases before them, the

1. Value of coins in the Colony of Rhode Island, in 1764, as fixed by the General Assembly :

	£ s. d.		£ s. d.
An English crown,	6 8	A two and a half moldore piece,	4 10 0
An English half crown,	3 4	A two pistole piece,	2 4 0
An English shilling,	1 4	A moldore or 27s sterling,	1 16 0
An English sixpence,	8	A guinea or 21s sterling,	1 8 0
A Spanish milled dollar,	6 0	A half Johannes or 18s sterling,	1 4 0
A half dollar,	3 0	A pistole,	1 2 0
A quarter dollar,	1 6	A half moldore,	18 0
A five moldore piece,	9 0 0	A quarter Johannes,	12 0
A double Johannes,	4 16 0	Three English farthings,	1
A single Johannes,	2 8 0	An ounce of coined gold,	5 1 4
A doubloon or four pistole piece,	4 8 0		

value of such bills in Spanish milled dollars, at various periods, was declared by the following table.¹ There was much opposition to the passage of the act and protests against it were laid before the Assembly.

During the period from 1750 to 1774, both years inclusive, the Colony issued £337,569, and during the same period called in and burnt £811,871. The bills, when gold and silver were not in the treasury, were redeemed by treasury notes.

The large issues of this period were those of 1755, for the Crown Point expedition, amounting to £240,000, and those of 1758, 1759 and 1760, amounting to £57,000. These latter sums were for the French war. The battle on the Plains of Abraham occurred

1. Table fixing the value of old tenor bills at different periods, for the use of the courts, made by the General Assembly, June, 1763:

£ s. d.		£ s. d.	
1751, 2 16 0 = one Spanish milled dollar.		1758, 6 0 0 = one Spanish milled dollar.	
1752, 3 0 0	"	1759, 6 0 0	"
1753, 3 10 0	"	1760, 6 0 0	"
1754, 3 15 0	"	1761, 6 10 0	"
1755, 4 5 0	"	1762, 7 0 0	"
1756, 5 5 0	"	1763, 7 0 0	"
1757, 5 15 0	"		

in 1759. This money was for equipment and payment of the Rhode Island soldiers who fought therein. No other large sums were issued until 1775, during which year sixty thousand pounds were issued, to place the Colony in such military condition as would enable her "to march to the assistance of her sister colonies if invaded or attacked." Fort George, which had in former years been the pretext for the issue of so many bills of credit, was dismantled, and "forty cannon and large amounts of powder and balls taken to a place of safety."¹

The first two issues of 1775 were of precisely the same tenor and issued under the same provisions of law. They were to be redeemed, one-half in two years and one-half in five years. The interest was at two and a half per cent. The denominations were sixpence and ninepence, and one, two, three, four, five, ten, twenty, thirty and forty shillings.

It will be noticed that the law provided for the redemption of one-half of these bills in two years, but in the bill itself this provision was omitted. The

1. Arnold's Hist. R. I., vol. 2, p. 343.

style and motto were the same as the lawful money bills before emitted, and the form as follows :

The possessor of this bill shall be paid by the treasurer of the colony of Rhode Island lawful money, at the rate of six shillings and nine pence for one ounce of silver, within five years from the date hereof, with interest at two and an half per cent. per annum until paid. By Order of Assembly.

Providence, the 3d day of May, 1775.¹

The third emission of 1775 bore no interest and was redeemable in five years. The form was different from the two former issues ; it was as follows :

The possessor of this bill shall be paid by the general treasurer of the Colony of Rhode Island lawful money within five years from the date hereof. By Order of the General Assembly.

Providence, the 6th day
of November, A. D., 1775.²

1. R. I. Col. Rec., vol. 7, p. 321.

2. R. I. Col. Rec., vol. 7, p. 390.

The bills were printed from movable type, by John Carter. The obverse bears four engraved portions, one each upon the right and left, one across the top, and the seal and motto. These were probably made for the purpose, but the other ornaments, which seem to have been prolifically used, appear to have been of the general stock of the printing office, and to have drawn pretty heavily upon its resources. Different ornaments were used upon different bills of the same date.

In January, 1776, the General Assembly ordered

It may be interesting to some to know the numbers issued of these denominations. Of the first and second emissions of 1775, there were issued of each denomination as follows :

Sixpence, - - -	16,000	Five shillings, - - -	8,000
Ninepence, - - -	16,000	Ten shillings, - - -	8,000
One shilling, - - -	20,000	Twenty shillings, - - -	8,000
Two shillings, - - -	12,000	Thirty shillings, - - -	8,000
Three shillings, - - -	8,000	Forty shillings, - - -	4,000
Four shillings, - - -	8,000		

Of the third issue there were no four shilling bills. Of the other denominations there were issued of

Sixpence, - - -	20,000	Five shillings, - - -	6,000
Ninepence, - - -	16,000	Ten shillings, - - -	5,000
One shilling, - - -	20,000	Twenty shillings, - - -	4,000
Two shillings, - - -	12,000	Thirty shillings, - - -	3,000
Three shillings, - - -	8,000	Forty shillings, - - -	1,500

the forty thousand pounds issued in 1775, which bore two and a half per cent. interest, to be brought in and exchanged for other bills which bore no interest, and this within one month, and at the same time emitted forty thousand pounds with which to effect the exchange. The same form was used as that of the third emission of 1775. Their appearance is precisely the same. The denominations were sixpence and ninepence, and one, two, three, four, five, ten, twenty, thirty, forty and sixty shillings. In March, twenty thousand pounds of similar money followed. The denominations were the same with the exception of the sixpence bills; these were omitted. In July, ten thousand pounds more were issued; from this issue the sixpence bills were omitted. As in the preceding year, Mr. John Carter was to be employed to print the bills at the price of one shilling and fourpence for every hundred bills printed, and Mr. Robert Lawton to superintend the press. These three issues were all of the emissions of 1776 in which the value was expressed in pounds, shillings and pence. The only other issue that year was the one in September, to the amount of sixty-



six thousand six hundred and seventy dollars, and was the first one in which the term dollars had been used, as it was also of the term State of Rhode Island and Providence Plantations.¹

The form was as follows :

The possessor of this bill shall be paid by the general treasurer of the State of Rhode Island and Providence Plantations dollars within six years from the date hereof. By order of Assembly.

Providence, the 5th day of September,
A. D. 1776.

The bills of the denomination of five shillings and upwards, were signed by three persons ; those of a less denomination, were signed by two persons. This had usually been the practice in former issues.

1. It may be curious to know the number of bills of each denomination of the year 1776, we therefore append it :

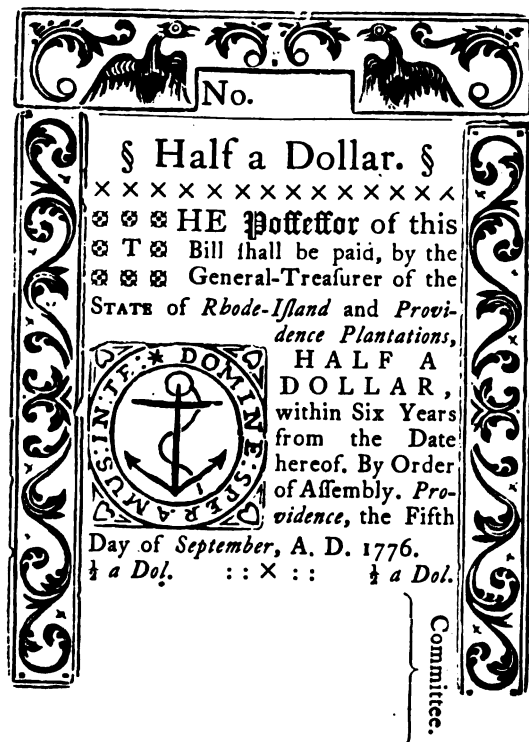
Sixpence,	-	-	6,000	Five shillings,	-	-	10,500
Ninepence,	-	-	9,600	Ten shillings,	-	-	10,500
One shilling,	-	-	9,000	Twenty shillings,	-	-	10,500
Two shillings,	-	-	8,150	Thirty shillings,	-	-	10,500
Three shillings,	-	-	12,000	Forty shillings,	-	-	7,000
Four shillings,	-	-	10,500	Sixty shillings,	-	-	5,400

The following were the denominations: One-sixteenth of a dollar, one-eighth, one-quarter, one-half, and one, two, three, four, five, six, seven, eight, ten, twenty and thirty dollars. They were in numbers as specified below.¹

In May, 1777, on account of the scarcity of small denominations, the people were put to great inconvenience in making change. To remedy this trouble the Assembly issued fifteen thousand dollars in fractional denominations. They were in amounts and numbers as follows: 8,490 one-third of a dollar; 12,000 one-fourth of a dollar; 15,000 one-sixth of a dollar; 15,000 one-eighth of a dollar; 15,000 one-ninth of a dollar; 15,000 one-twelfth of a dollar; 15,000 one-eighteenth of a dollar; 15,000 one twenty-fourth of a dollar; 15,080 one thirty-sixth of a dollar.

1. R. I. Col. Rec., vol. 7, p. 612.

One-sixteenth of a dollar, . . .	8,000	Five dollars,	600
One-eighth of a dollar,	4,000	Six dollars,	600
One-quarter of a dollar,	4,000	Seven dollars,	600
One-half of a dollar,	4,000	Eight dollars,	600
One dollar,	2,000	Ten dollars,	667
Two dollars,	600	Twenty dollars,	600
Three dollars	600	Thirty dollars,	700
Four dollars,	600		



Large sums were borrowed at this period and treasury notes were given, but no further issue of bills was made by the State until 1780. In 1779 forty thousand pounds were emitted, but this sum was in treasury notes of ten pounds each. Nearly the whole amount (saving one hundred and thirty pounds) were burnt in March, 1781.

Form of the fractional bills of 1777 :

State of Rhode Island and Providence Plantations.	No.
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May 22, 1777.	One sixth of a Dollar. This Bill entitles the pos- sessor to receive one sixth of a dollar out of the general treasury of this state by the 22d of May, 1785, and shall be secured for that sum in all payments agreeable to an act of said State.
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The next issue in order of time was that of June, 1780. Its amount was twenty thousand pounds. Confiscated estates were pledged for its redemption.¹ These estates were specified and ordered

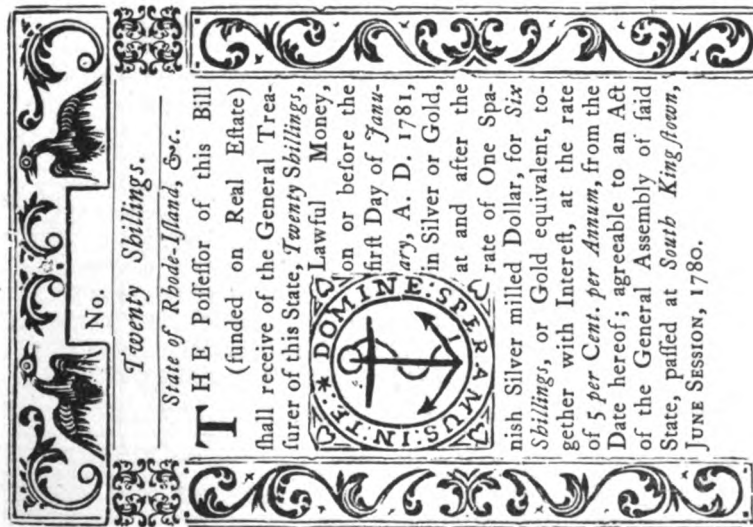
1. Rhode Island Colonial Records, vol. 9, p. 83.

to be sold, and payment to be made only in gold, silver, or bills of this issue, and in no other currency whatever. The bills were of the form here presented.¹

The estates pledged for the redemption of these bills, were the State's farm, on Point Judith, 1,200 acres; George Rome's estate, in North Kingstown, 500 acres; Thomas Moffatt's farm, in North Kingstown, 200 acres; Samuel Boone's estate, in Exeter, 600 acres, and the State's (late Borland's) lands, in Bristol. The sale of these estates was put into the hands of a committee. The first attempts to sell were

1. Quite recently, in clearing one of the basement rooms of the State House, a small sack was discovered containing a set of counterfeit dies for making Spanish milled dollars, and also some of the coins which had been struck from them. The sack also contained several stereotypes. These were found to be the original stereotypes used in printing the bills of 1776, 1780 and 1786. By the courtesy of the General Treasurer, the Honorable Samuel Clark, in whose custody the plates and dies remain, the publisher has selected the least injured portions of the stereotypes and reproduced, as nearly as now practicable, the bills from the very cuts from which the money was originally printed. The thirty shilling bill of 1776, which appears in its proper place, is a heliotype, for the reason that the cuts were found so badly impaired as to be unfit for use. Moreover the square cut on the reverse was not found, and furthermore a large portion of the ornaments on the reverse were taken from the ordinary stock of the printer and could not now be matched by the printer. The bills thus reproduced are, this confiscated estate bill of 1780, the half dollar of 1776, and the ninepence bill of 1786.

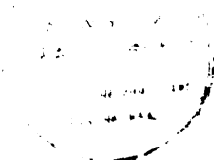
OBVERSE.



REVERSE.



FAC-SIMILE OF THE BILLS OF 1780, BASED ON CONFISCATED ESTATES.



unsuccessful. Notice was given that unless the properties were sold they would be let at "public outcry." They were however finally sold, and a report of the sale can be found in the proceedings of the General Assembly.¹

The denominations of this confiscated estates' money were sixpence and ninepence, and one, two, three, four, six, ten, twenty, thirty and forty shillings.²

In July, 1780, the issue of thirty-nine thousand pounds was ordered by the General Assembly. It was guaranteed by the United States. The amount of each bill as expressed on its face, was in dollars, but the interest, also printed on each bill, was in pounds, shillings and pence. The bills were printed by Hall & Sellers, of Philadelphia, the printers of so much of the Continental money, to the bills of which this issue bears a close resemblance.

1. Acts and Resolves of R. I. Gen. Assembly, Feb. 1783, p. 8. The prices realized were, for the north Borland lot, £4 14s, and for the south Borland lot, £5 10s per acre. For the Moffatt farm, £610. For the Rome farm, £4 10s per acre. For the Boone farm, £1 8s per acre. For that part of Mr. Rome's estate lying on the point at Newport, £575.

2. Rhode Island Colonial Records, vol. 9, p. 83.

There were eight denominations, expressed in dollars, viz.: One, two, three, four, five, seven, eight and twenty, and in each bill is the word CONFEDERATION, in a water mark, which can be seen by holding the bill before a strong light. The designs and mottoes merit some attention from their singularity and wit, as well as from their relation to the war then in progress. We attempt a description of each denomination :

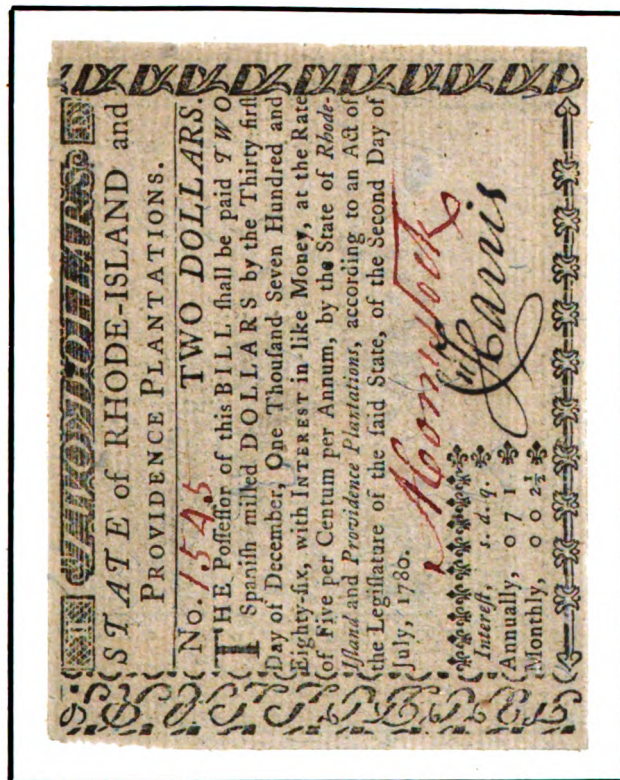
ONE DOLLAR. The design is a basket, commonly known as a bushel basket, placed upon a plant, either a thistle, or, by the elegance of its leaves, possibly an acanthus. The basket is pressed down by a slab placed across it, but the leaves, forced by nature, are vigorously growing around the basket.

Motto, *Depressa resurgit*: Crushed it rises again.

TWO DOLLAR. The design is an arm and hand holding a flail in the act of threshing grain.

Motto, *Tribulatio ditat*: Tribulation enriches.

THREE DOLLAR. The design is an eagle and a crane engaged in mortal combat, the eagle having





the apparent advantage, but the crane has pierced his throat.

Motto, *Exitus in dubio est*: The result is in doubt.

FOUR DOLLAR. A wild boar with jaws widely extended rushing upon a spear-head.

Motto, *Aut mors, aut vita decora*: Either death or honorable life.

FIVE DOLLAR. The design is a bleeding hand grasping a nettle tree or thorn bush.

Motto, *Sustine vel abstine*: Hold firmly or let alone.

SEVEN DOLLAR. The design is a tempest of wind and rain beating upon hills and mountains.

Motto, *Serenabit*: It will clear up.

EIGHT DOLLAR. The design is a harp with thirteen strings.

Motto, *Majora minoribus consonant*: The greater harmonize with the less.

TWENTY DOLLAR. The design is a face in the clouds blowing winds upon an open sea.

Motto, *Vi concitata*: Aroused by violence.

These designs were circular in form and were the same on the same denominations of the Continental bills, but in those printed for Rhode Island, a square portion in the center of each design was printed in red ink, thus rendering them very difficult to understand, in fact almost impossible without recourse to their continental relatives, which were not generally printed with the central portion in red ink.

Let us now return to gather some of the fragments of the history covering the same period which we have just passed over :

In December, 1776, a committee of the New England States recommended Rhode Island to emit no more bills of credit unless absolutely necessary, but rather to levy taxes or borrow, and to emit bills bearing four per cent. interest and payable in three years, provided emissions were unavoidable. This plan was approved by the General Assembly, and a loan of forty thousand pounds was made. Notes at six per cent. interest with two years to run were given.¹ The value was expressed in dollars. In February, 1777, they made a second loan, to the

1. Rhode Island Colonial Records, vol. 8, p. 76.

amount of fifty thousand pounds. The notes given were in dollars, at four per cent. interest, with five years to run. These notes were made legal tender. This year they began to levy taxes again, and the town of Providence, where the sentiment was largely in favor of taxation, consented to an increase of its valuation from one hundred and twenty-five thousand pounds, made in 1767, to two hundred and twenty-five thousand pounds, or in other words, to nearly double the former valuation. In December, of this year, 1777, the General Assembly ordered all bills over one dollar in amount, which were not on interest, to be called in and burnt. The bills issued by the Continental Congress had now become probably the principal circulating medium in Rhode Island, and here as elsewhere they had very greatly depreciated.

In June, 1780, the General Assembly raised all the fees, fines and forfeitures which had been established in 1774, forty for one, and in November, of the same year, a scale of depreciation for the bills of public credit was established. This was done in obedience to a resolution of Congress "recommend-

ing to the several states to revise their laws enacted pursuant to a former resolution of Congress, making Continental bills of credit a tender in discharge of debts and contracts and to amend the same in such manner as they shall judge most conducive to justice in the present state of the currency." The law provided, that all contracts entered into before January, 1777, whether in bills of credit or lawful money, should be in equal value to the same nominal sum in silver or gold. After that date, all contracts were payable in Spanish milled dollars or other money equivalent thereto, agreeably to a table embodied in the law. This table expressed the value of a hundred such dollars in paper bills, on the first day of each month and in regular and equal degrees until the first day of the succeeding month.¹ It further

1. The first, last, and a few intermediate dates and values are here given :

January, 1777,	100 Spanish milled dollars	=	105	paper dollars.
July, 1777,	" " " "		125	" "
January, 1778,	" " " "		325	" "
July, 1778,	" " " "		425	" "
January, 1779,	" " " "		742	" "
July, 1779,	" " " "		1,477	" "
January, 1780,	" " " "		2,934	" "

provided that all private contracts made before the first day of May, 1775, and all special contracts made for silver or gold after that time, should be paid in gold or silver only. Great care was taken to adjust the equities between debtors and creditors, the rights of trustees and guardians, as well as of widows, infants and orphans, were protected in so far as it comes within the province of written law to protect them.¹ The legal tender acts were repealed.

In May, 1781,² the Assembly continued the scale

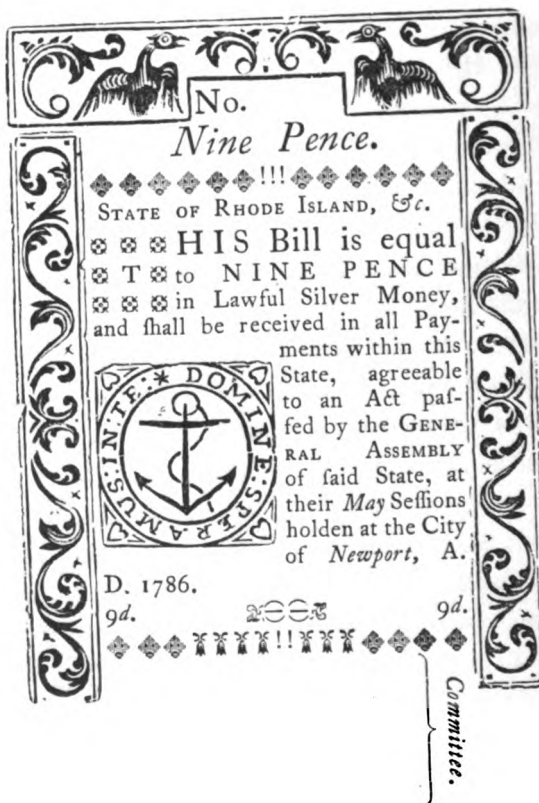
April, 1780,	100	Spanish	milled	dollars	=	4,000	paper	dollars.
June, 1780,	"	"	"	"		6,900	"	"
November, 1780,	"	"	"	"		7,400	"	"
April, 1781,	"	"	"	"		7,900	"	"
May, 1781,	"	"	"	"		16,000	"	"

1. The writer of an article on the Legal Tender Laws, published in the Penn Monthly, (July, 1879,) by Mr. A. S. Bolles, pays a high compliment to Rhode Island for this law. He says with reference to it: "In most cases, the situation of both debtor and creditor classes was viewed in the clear light of justice, and such laws were enacted as displayed a fine perception of the rights and equities of all parties; Rhode Island was among the first states to act and her legislation is worthy of extended consideration. Her example was imitated by all the states with more or less variation. Its essential feature, the adjusting of contracts made while the legal tender law was in operation, so as to render to the creditor a fair equivalent for what in the beginning, was received by the debtor, is found in the legislation of all the other states.

2. During the second session of that month.

of depreciation formerly made by them as above, bringing it down to the close of that month.

One dollar of the new Continental emission was made equal to twelve dollars of the old issue of the same, and the judges of the Superior Court were appointed to fix the rate of depreciation from time to time thereafter, and to publish the same. Acts were passed in May, 1778, and in June and November, 1782, consolidating the paper money, ordering all bills and notes to be brought into the treasury, and new notes given bearing interest; interest also being calculated on those brought in from June, 1778, the period when they had been ordered out of circulation.



THE TENTH BANK.

1786.

WE have now reached the last issue of paper money by the State of Rhode Island, the memorable bank of 1786. It was after a severe political contest, in which the paper money party had obtained the control of the General Assembly, that the emission was made. The Assembly declares that "from a variety of causes, political and mercantile, the currency of this State, now in circulation, was become altogether insufficient in point of quantity for the purposes of trade and commerce and for paying the just debts of the inhabitants." The bank consisted of one hundred thousand pounds, to be loaned out in the usual manner at four per cent. for seven years, and then one-seventh payable annually, but no interest was to be paid after the expiration of the first seven

years¹. The bills were legal tender, excepting for debts due charitable corporations. The law prescribes that the bills shall be of convenient denomination, none to be less than sixpence, and none greater than three pounds. Two gentlemen, Messrs. William Borden and Thomas Freebody, were appointed to superintend the press during the printing of the bills. Three signatures were necessary for the bills of twenty shillings and upwards, while two signatures would answer for all bills of less denomination. The list of denominations is not given in the law, but from the private collection in possession of the publisher, the denominations appear to have been sixpence, ninepence, and one and two shillings, two shillings and sixpence, three, five, six, ten, twenty, thirty and forty shillings, and three pounds. The law directed that these bills should pass in all kinds of business, and in payments of former contracts, at par with specie. The law not only created a bank of issue of money, but at the same time acted as a general liquidation law. If a creditor refused to receive the bills in payment of

1. Acts and Resolves of R. I. Gen. Assembly, May, 1786, p. 13.

his claim, the debtor made immediate application to a justice of either the Superior Court or the Court of Common Pleas, who issued a citation to the creditor to appear at his dwelling house in ten days from the service of the citation, and receive his money as prescribed by the law, and which the debtor claimed he owed him, and which he had placed in the hands of the judge. The judge then issued a certificate to the debtor, setting forth the facts as to the lodgment of the money, and in case the creditor failed or refused to call for the money within the specified time, advertised the facts in the newspapers for three weeks. The debtor was thereupon discharged from his debt, his certificate being a sufficient plea in bar to any action in the courts for the recovery of the money so lodged. During the month following, another act was passed subjecting such as should refuse to receive the bills issued upon the terms specified to a penalty of a hundred pounds. This law was soon after changed, the penalties were lessened in amount, but more odious features were introduced into it. Upon complaint to either judge, such judge was to convene

a Special court comprising three or more members, which should be convened within three days; this tribunal tried the case without a jury, and upon the judgment of a majority the defendant must stand or fall; if against him the judgment must be forthwith complied with or he must go to prison, and from this judgment there was no appeal.¹

Under such legislation we may not wonder that mercantile transactions among men ceased, and that creditors took every means to elude their debtors by reason of the very rapid and great depreciation of paper money. Amusing instances are related of creditors leaping from rear windows of their houses or hiding themselves in their attics. (Things in this respect are lamentably changed now.) To overcome the difficulty of a man's finding his creditor, the Assembly provided, as before related, that if a debtor should deposit a sufficient amount of paper money with any one of the judges, it was a legal tender, and should liquidate his debt. Many debtors took advantage of this state of things, and large amounts of the old bills are still in existence in the office

1. These laws are all reprinted in the appendix of the case, *Trevett vs. Weeden*. 4to. Providence, 1787. pp. 54-60.

of the General Treasurer in the original packages in which they were deposited, with the name of the hapless creditor inscribed thereon. One, a member of St. John's Episcopal Church of this city, was excommunicated by that church for the act, the church declaring itself upon such matters in the following vigorous language: "The fulfilling of agreements voluntarily entered into, with honesty and good faith, is enjoined by the clearest principles of reason and the express commands of our most holy religion. The obligations arising from these laws are superior to and not releasable by any municipal statute or institution whatever."

The Rhode Island Society of the Cincinnati also expelled one of its members for a similar cause.

Resistance to these measures, beginning in the larger towns, soon spread through the great mass of the people. A case soon arose and was made a test of the law. John Trevett purchased of John Weeden, in Newport, a piece of meat, tendering in payment therefor the paper money, which Weeden declined to receive. Complaint was there-

upon made to the Hon. Paul Mumford, "Chief Justice of the Superior Court at his chamber, who caused a Special Court to be convened, but as the information was given during the term of the [Superior.] Court, it was referred into the term for consideration and final determination." Weeden was arrested and immediately tried for the offence, he was excessively poor, having within a month been supported at the expense of the town; but the ablest counsel the State afforded was provided. His defence was conducted by the Hon. Henry Marchant and General James M. Varnum, names of no small repute in those days. The last named gentleman argued the case; his grounds were three in number:

First. The act had expired, for the law read, "that the legal mode of carrying the afore-recited act into execution shall be in force, fully and completely, for every purpose therein mentioned and contained, until all offences against [the same]¹ which have been committed and complained of, and which may be committed

1. Case Trevett vs. Weeden. 4to. Providence, 1787. p. 60—the words, "the same," appear in the law as here cited, but were omitted in the report of the trial, hence the reason for their appearance in brackets.

and complained of, until the expiration of ten days after the rising of this Assembly." That is, the legal mode shall be in force until the expiration of the ten days, consequently upon the expiration of that period no legal mode existed.

Second. The act created special trials not controlled by the Superior Court. The law of 1729, which created this court, declares that its jurisdiction shall extend over the whole Colony for the regular hearing and trying of all pleas, real, personal and mixed, and all pleas of the crown; that it should possess the same power and authority in all matters and things in the Colony, as the Court of Common Pleas, King's Bench or Exchequer possessed in England. "That this power had never been diminished; it commands, prohibits and restrains all inferior jurisdictions. Had the cognizance of informations been confined to the Court of Sessions only, the evil might have been remedied without appeal, by a writ of *certiorari* or otherwise, but by an unheard of arrangement in the special jurisdictions, the judges of this [Superior] Court are precisely upon a level with those of the Sessions.

Their jurisdiction is concurrent, cumulative and equal, consequently there would not be a propriety in applying to this court in their supreme judicial capacity to correct the errors and restrain the excesses that might arise from oppressive determination. By these first decisions as a Special Court, a legal prejudice would naturally be formed which might totally obstruct the avenues to justice. Making every possible concession, the Supreme Judiciary Court could only correct the errors of its own judges, determining in the Special Court."

Third. That these special courts were not authorized nor empowered by the act to empanel a jury to try the facts charged in the information, and were therefore unconstitutional and void. In support of this proposition, General Varnum traced the history of trials by juries from the earliest times — rehearsed the rights conferred by King John, in Magna Charta and the various grants subsequently made confirmative thereof. The clause in the Charter of Charles II. relating to these matters is as follows: "That all and every the subjects of us, our heirs and successors, which

are already planted and settled within said Colony of Providence Plantations, which shall hereafter go to inhabit within the said Colony, and all and every of their children, which have been born there or on the sea going thither, or returning from thence, shall have and enjoy all liberties and immunities of free and natural subjects within any of the dominions of us, our heirs or successors, to all intents, constructions and purposes whatsoever as if they and every of them were born within the realm of England." Mr. Varnum proceeded to exhibit how frequently the General Assembly had reasserted and confirmed these privileges, numerous instances of which had occurred since 1663. The decision of the Court was that they had no jurisdiction in the case — so fell the law. For this decision the judges were summoned before the General Assembly. The language of the resolution appears so extraordinary that we reproduce it :

"WHEREAS, It appears that the Honorable the Justices of the Superior Court of Judicature * * * have by a judgment of the said Court, declared and adjudged an act of the Supreme Legislature

of this State to be unconstitutional and so absolutely void, and whereas it is suggested that the aforesaid judgment is unprecedented in this State, and may tend to abolish the legislative authority thereof, it is therefore

"VOTED AND RESOLVED, That all the Justices of said Court be forthwith cited * * * to give immediate attendance on this Assembly to assign the reasons and grounds of the aforesaid judgment."

Three judges attended at once as directed, and placed their defence in the hands of David Howell, the youngest of their number. He declared that for the reasons of their judgments upon any question judicially before them, they were accountable only to God and their own consciences; and he then proceeded to show the Assembly that they had "assumed a fact in their summons which was not justified or warranted by the records. The plea of the defendant in a matter of mere surplusage mentions the act of the General Assembly, as 'unconstitutional and so void,' but the judgment of the Court is, 'that the information is not cognizable before them,' hence it appears that the plea hath

been mistaken for the judgment. Whatever might have been the opinion of the judges, they spoke by their records, which admitted of no addition or diminution." In a speech of six hours, he then demonstrated to the General Assembly how their law was unconstitutional and therefore had not the force of law and could not be executed. Judge Howell's argument, however satisfactory it may be to us, was entirely unsatisfactory to the members of the General Assembly, who immediately voted that no sufficient reason had been given for the judgment, and a motion was at once made dismissing the judges from their offices. This motion was seconded, and immediately thereat a memorial was presented, addressed "To his Excellency the Governor, and his Honor The Speaker of the lower House of Assembly, to be communicated to both Houses." This memorial was signed by three of the judges, Joseph Hazard, Thomas Tillinghast and David Howell. It is an admirable document, written in a dignified and courteous style, concise and clear in its statements, and without passion; resisting to the utmost the en-

croachments of the General Assembly, and asserting in a manly way the rights of the judges, strongly denying the power of the legislature to call upon them for the particular reasons of their judgment in that or any other case, and declining to reverse the same, claiming their right as freemen to be heard before a proper legal tribunal and given an opportunity to answer to specific and certain charges, utterly protesting against the right of the Assembly to deprive them by a summary vote of their right to exercise the functions of their office, and this "upon a mere suggestion of a mere error of judgment."

The memorial being delivered, the judges informed the Assembly that they had directed counsel to enforce its contents, and requested a hearing; thereupon its author addressed the House, urging first, that if the judges are to be tried, they may first know their offence, that charges be specified, time given them for defence, and that they may be heard before a legally constituted tribunal. He further reminded them, that by their Declaration of Rights, "no man, of what estate and condition soever, shall be put out of his lands and tenements,

nor taken, nor imprisoned, nor disinherited, nor banished, nor any ways destroyed, nor molested, without being for it brought to answer by due course of law."¹ He further reminded the Assembly that "if they would preserve in the minds of the citizens, an attachment to their measures and a veneration for their laws, they certainly will not violate the laws themselves." These arguments so clear and convincing, seem to have turned the current of opinion in the Assembly. Several of the ablest members spoke favorably of the judges, and it was finally voted "that as the judges are not charged with any criminality in rendering the judgment upon the information, *Trevett vs. Weeden*, they are therefore discharged from any further attendance upon this Assembly on that account."²

1. This clause forms Chapter 29 of *Magna Charta*. (See *English Liberties*, Prov., 1774, p. 21). It is also, although not expressed in precisely the same terms, in the Proceedings of the First General Assembly in 1647, (reprint of 1847, p. 18,) but in its exact form as here given, it can be found in the various Digests of Rhode Island Laws, viz.: Digest of 1730, p. 4; Digest of 1744, p. 8; Digest of 1767, p. 226.

2. At the election of State officers the following year, the only member of the court re-elected, was the Chief Justice, the Hon. Paul Mumford, he having carefully abstained from taking part in the decision, the four other judges gave the judgment and were not continued in office.

In September, 1789, the bills of this emission having fallen very low, the law making them a legal tender was repealed. In February, 1793, the burning of them commenced, and continued from time to time until in May, 1803, during which time £96,646 were destroyed.

The scale of depreciation of this emission was fixed by the General Assembly from July 1st, 1786, to July 1st, 1789 :

July, 1786,	six	shillings	in specie,	equals	9	in bills.
October, 1786,	"	"	"	"	18	"
January, 1787,	"	"	"	"	24	"
April, 1787,	"	"	"	"	34	"
April, 1788,	"	"	"	"	38	"
July, 1788,	"	"	"	"	45	"
January, 1789,	"	"	"	"	60	"
July, 1789,	"	"	"	"	90	"

At this latter rate these bills have been receivable in payment of taxes as late as 1819.

A part of the present state debt can be traced back to the treasury notes, which were given at many different times to take up portions of the circulating paper. In accordance with the laws at

various times, a debtor could deposit with the clerks of the courts the amounts in which they were indebted to others, who either could not be found, or when found would not receive the bills, and this deposit so made discharged the debt. Probably a considerable sum of this money so deposited might still be found among the old files of these courts.

A table of emissions and burnings has been added, to which sundry notes are attached. It has been found quite impossible to attain complete accuracy in this table, as the reports of the committees who burnt the money did not always distinguish between the nominal value of the bills and their value in old tenor. The figures are intended to express the nominal value, or that which is expressed upon the face of the bills.

Here we rest our history ; for some other details the readers must be referred to the papers which follow. These we have preserved in their original form rather than to further encumber the narrative concerning these matters. A recent writer says : " Rhode Island was the most unfortunate of all the colonies in her currency legislation. She kept peag

longer than any of the others, and plunged into paper issues more recklessly than any. The loan bank system she tested to the bitter end."



TABLES
OF
EMISSIONS AND BURNINGS
OF
BILLS OF CREDIT,
WITH
HISTORICAL NOTES.

TABLE OF EMISSIONS AND BURNINGS
OF
BILLS OF CREDIT, WITH HISTORICAL NOTES.

DATE.	EMITTED.	BURNT.	NOTES.
1689, May,			War with France until 1697.
1690,			Massachusetts first emitted bills of credit.
1698,			Samuel Cranston, governor of R. I.
1702,			War with France until March, 1713.
1710, May,	£5,000		On account of French and Indian war.
" October,	1,000		
" November,	1,000		For Annapolis Royal Expedition.
1711, June,	6,000		
" November,	300		
1714, June,	£1,102		Massachusetts issued a bank of £50,000.
1715, July,	30,000		First bank, to be loaned at five per cent. for ten years. May, 1728, time of pay- ment extended.
" October,	10,000	300	
1716.			Massachusetts issued a bank of £100,000.
1717, June,		1,722	
1718, June,		540	War began with Spain.
" September,		874	

NOTE.—In this table pounds only are given, the fractions being omitted.

DATE.	EMITTED.	BURNT.	NOTES.
1719, June,		1,151	
1720, June,		858	
1721, May,	40,000		Second bank, issued on account of scarcity of specie. Loaned for five years at five per cent. May, 1728, time extended.
" June,		255	Massachusetts issued a bank of £50,000.
1722, June,		451	
" August,		235	
1723, February,	2,000		
" June,		642	
1724, June,		907	
1725, June,		869	
1726, June,	46,634	594	
1727, June,		14,991	Joseph Jencks, governor of R. I. Massachusetts issued a bank of £60,000.
1728, May,	40,000		Third bank. Decay of trade and commerce the pretext.
" May,	3,000		
" June,	2,000	10,573	
" June,	3,000		
1729, June,		4,530	
1730, June,		3,608	
" October,	1,000		
1731, June,	60,000		Fourth bank.
" June,		4,198	
1732, June,		2,381	William Wanton, governor of R. I.
1733, June,		3,946	
" July,	100,000		Fifth bank. Massachusetts made large emissions this year.
1733, July,	4,000		
1734, October,	2,067		John Wanton, governor of R. I.
1735, August,		1,015	
1736, June,		3,515	

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DATE.	EMITTED.	BURNT.	NOTES.
1737, June,	30,000	4,042	An emission to exchange torn bills.
1738, May,	10,000		
" June,		20,269	
" August,	100,000		Sixth Bank.
1739, (or before,)		2,067	See report of committee.
" August,		14,077	About £11,296 in circulation of bills emitted to supply treasury.
1740, September,	20,000		Seventh bank. <u>New</u> tenor. The new bills to be equal one to four of the old. Expedition against the Spaniards.
" September,	10,000		
1741, May,	8,000		Richard Ward, governor of R. I.
" October,	8,000		
1742,			War again.
1741-2, February,			£24,000 ordered to be emitted to exchange bills of 1740 called in.
1743-4, February,	40,000 new tenor.		William Greene, governor of R. I. Eighth bank. Loaned for ten years at four per cent.
1744, March,	10,000		
1745, May,	15,000		Equal to, 3,750 new tenor. Massachusetts issued large sums.
" September,	20,000		Equal to 5,000 new tenor.
1746, June,	45,000		Equal to 11,250 new tenor. Expedition to Canada.
1746-7, February,	60,000		Equal to 15,000 new tenor. Gideon Wanton, governor of R. I.
1747-8, February,	30,000		Peace.
1748,		88,725	William Greene, governor of R. I.
1749,			By committee's report £135,335 were in circulation of bills emitted for supply of the treasury. Of this amount, £24,801 was actually in the treasury.

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DATE.	EMITTED.	BURNT.	NOTES.
1750, March,	25,000		Ninth bank. In report of 1764, the bills of 1750 are said to be then equal £20 to £6 sterling.
1751, June,		24,280	
1753, Feb. and Oct.,		45,885	Old tenor.
1754, February,		1,647	
1755, March,	60,000 old tenor.		<div style="display: flex; align-items: center;"> <div style="font-size: 2em; margin-right: 5px;">}</div> <div> <p>Stephen Hopkins, governor of R. I.</p> <p>The Crownpoint Bills were all sunk within two years from their date.</p> </div> </div>
" June,	40,000	" "	
" August,	20,000	" "	
" September,	60,000	" "	
" December,	60,000	" "	
1756, February,	8,000	13,792	War declared with France. Hostilities had begun in the Colonies the year before. Lawful money from this time forward.
" Aug. and Sept. 6,000		18,208	
" November,		18,430	
1757, March,		177,006	
" June,		11,400	William Greene, governor of R. I.
1758, February,		11,693	
" May,	10,000		Stephen Hopkins, governor of R. I. These bills bore five per cent. interest.
" September,		6,695	
" October,	10,909		Bearing five per cent interest.
1759, February,	12,000		
" "	4,000		
" June,	4,000	7,022	Battle on the Plains of Abraham.
1760, February,	16,000		
" March,	11,000		
1761, February,		1,072	War with Spain.
" May,		48	
1762, February,	5,000		

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DATE.	EMITTED.	BURNT.	NOTES.
1762, March,	2,000		Havana taken, August, 1762. Committee estimated there were circulating, Old tenor, £93,687; Crownpoint, Old tenor, £2,321; Lawful Money Bills £66,403.
" May,	2,000	10,506	Samuel Ward, governor of R. I.
" August,		87,059	Old tenor.
" September,	4,000		
1763, August,		48,787	Stephen Hopkins, governor of R. I. Peace with France and Spain. Canada acquired.
" October,		426	
1765, February,		80,063	Samuel Ward, governor of R. I.
1766, February,	600	4,661	
1767, February,	2,000	75,566	Stephen Hopkins, governor of R. I.
1768, February,		4,070	Josias Lyndon, governor of R. I.
1769, February,		57,174	Joseph Wanton, governor of R. I.
" October,		11,000	
1770, May,		40,317	
" October,		810	
1772, October,		41,604	
1773, May,		9,560	
1775, May,	20,000		To bear $2\frac{1}{4}$ per cent interest. Nicholas Cooke, governor of R. I.
" June,	20,000		
" August,		8,902	Old tenor.
" October,	20,000	9,352	
1776, January,	40,000		Without interest.
" March,	20,000		
" July,	10,000		
" September,	\$66,670		First using of the term dollars.
" December,			£40,000 hired on 6 per cent. notes.

DATE.	EMITTED.	BURNT.	NOTES.
1777, February,			£50,000 hired on 4 per cent notes. About £7,000 of these notes burnt, March, 1781, in addition to the amount given that month.
“ May,	\$15,000=£4,500		Emitted in treasury notes, payable in 1785.
1778, October,		£73,193	Of bills 1775 and 1776. William Greene, governor of R. I.
1779, March,			Council of war issued a quantity, of which £10,920 were burnt in March, 1781.
“ June,	£40,000		Issued in treasury notes of £10 each, of which £39,870 was burnt in March, 1781.
1780, June,	20,000		To bear 5 per cent interest, payable in 1781. Made a tender—confiscated estates pledged for their redemption. ✓
“ July,	39,000		On the credit of the United States at 5 per cent. interest.
1781, March,		38,000	\$871,568 old continental bills burnt=£61,470, 5s. This had been exchanged for new bills.
1783, October,		6,000	
1785, October,		11,479	
1786, May,	100,000		Tenth bank. John Collins, gov. of R. I.
1786,			Case of Trevett vs. Weeden. For refusing to take the bills of 1786 in payment for merchandize. ✓
1789,			Arthur Fenner, governor of R. I.
1791,			Providence Bank chartered.
1795,			Bank of Rhode Island, Newport, char'd.
1800,			Washington Bank, Westerly, chartered.
1800,			Bank of Bristol chartered.
1801,			Exchange Bank, Providence, chartered.

A

LETTER FROM RICHARD WARD,

GOVERNOR OF THE COLONY OF RHODE ISLAND,

TO THE LORDS AND COMMISSIONERS OF TRADE FOR THE
FOREIGN PLANTATIONS,

CONCERNING THE

EMISSIONS OF PAPER MONEY BY THE COLONY.

LETTER OF GOV. RICHARD WARD.

NEWPORT, January, the 9th, 1740.

TO THE RIGHT HONORABLE THE LORDS AND COMMISSIONERS
OF TRADE FOR THE FOREIGN PLANTATIONS:

May it please your Lordships : We have received your Lordships's letter of the 20th of May, with the votes of the Honorable House of Commons, of the 25th of April last, respecting the emission of paper money in the plantations, and now transmit your Lordships an account of the several emissions made by this Colony ; but before we enter on that business, we humbly ask leave to premise to your Lordships, that it is now but an hundred years since the English came into this Colony, then a hideous wilderness, and inhabited by Indians only ; of whom the land was purchased from time to time, as opportunity and circumstances would permit.

And as the first settlers were not of the wealthiest sort, nor overstocked with servants, the greatest part of their money was unavoidably swallowed up in procuring provision, clothing and utensils for husbandry and labor, to subdue and cultivate the soil; whence it came to pass, that although there be several commodious harbors within this Colony, and a part of the Atlantic ocean makes our southern boundary, yet little or no navigation was carried on till about the beginning of the present century; necessity engaging the inhabitants to employ the whole of their time and care—some to bring to, and manure the land, others to follow such trades and occupations as they were most capable of, for the support of themselves and those who depended on them. Indeed, they had a small matter of money, but that was chiefly the remains of what they and their fathers had brought into the country.

In the year 1710, we had orders from Her Majesty, the late Queen Ann, to raise and equip a number of soldiers, to assist in an expedition designed against the French and Indian enemies, which we cheerfully performed, but could not effect, with-

out striking off a quantity of paper money, to supply the want of silver and gold (then exceeding scarce). Seven thousand pounds in bills, were therefore emitted, and put into the treasury, for discharging the debts that the government had contracted, by raising and equipping those soldiers. These bills amounted to about £4,593 15s, and passed equal to silver at eight shillings per ounce, and were to remain outstanding for the space of five years.

Anno 1711, the war continuing, and the government too plainly seeing the aforesaid £7,000 were not sufficient to answer the bonds for which they were emitted, added £6,300 to the former emission, which likewise passed equal to silver at eight shillings per ounce, and amounted to about £4,134 7s 6d.

We have already observed to your Lordships, that husbandry and mechanical arts were the only employ of the inhabitants of this Colony, till about the beginning of the present century; in consequence of which, a small medium of exchange was sufficient till other emergencies required a larger. The Colony had been obliged to assist in sundry expeditions,

for reducing Port Royal and Canada ; and were under an inevitable necessity of frequently taking the merchants' vessels and fitting them out at the public charge, to defend us against the insults and depredations threatened by the enemy, who were almost every year, during the last war, hovering about our coast ; by which means, the government was greatly involved, and much in debt, notwithstanding the aforesaid emissions.

The fort, likewise, which we had built at our own expense, was very much out of repair, and destitute of stores and ammunition. And there being also a necessity of a public jail in Newport, the metropolis of the Colony, we were compelled to make an emission of £40,000 in bills of credit, Anno, 1715, which was issued on loan, at five per cent., to the inhabitants, for ten years, upon land security, taken to double the value of the money hired by each particular person ; the interest thereof, was applied, part to sink the two former banks, part to pay off the public debts, part to defray the expenses of repairing the fort and furnishing it with stores and the other part to the building and support of the jail,

and to defray the other incidental charges of the government.

Silver was worth twelve shillings per ounce at the time of making these last bills, and their whole amount was about £17,500.

1721. As the little trade of our Colony (which was almost stagnated in the long war with France), had begun to revive upon the peace made at Utrecht, the merchants found themselves in a capacity of rendering it more extensive, through the assistance of that medium they were furnished with, by the emission of paper bills, Anno 1715, they accordingly built more vessels, and generously advanced into a much larger trade, and everything among us seemed to be in flourishing circumstances.

But the merchants of Boston, annually receiving vast quantities of goods from Great Britain, and not having a sufficiency of the product of this country to make proper remittances home, bought up all the gold and silver they could lay their hands upon, in this and the neighboring governments, in order to pay their debts in England. This rendered those commodities very scarce, and our bills having ob-

tained a currency amongst our neighbors in the adjacent governments, became scarce likewise.

Our trade was nevertheless still increasing, and the fort wanted a further repair; all which obliged us to emit another £40,000, A. D. 1721, which was let out upon loan, at five per cent., on land security (as the bills in 1715 had been), for the term of five years. And that the industrious might have a suitable encouragement, the treasurer was ordered to receive the interest thereof in good merchantable hemp and flax, from such persons as should tender it, at such prices as should from time to time be set by the General Assembly; which interest hath been appropriated to the use of the public. Silver was worth about sixteen shillings per ounce at the time of making those bills; and their whole amount was about £13,125.

The time fixed for paying in the £40,000 of 1715, being come, the government were made sensible that many people who had taken those bills, having laid out the greatest part thereof in building houses, and otherwise improving their estates, were not in a capacity of paying the same in one entire sum as

they had received it; and considering they had all along punctually paid their interest, to prevent the utter ruin and destruction of many industrious families, continued that bank, out upon interest, for three years further, viz.: until the year 1728, at which time, the same was ordered to be sunk by ten annual payments of one-tenth part of the whole, which hath been done accordingly.

The surprising growth of our commerce, occasioned in a great measure by the merchants' being supplied with a medium of exchange, from the emissions of paper bills in 1715 and 1721, invited people of all sorts and conditions to come from all parts and settle among us. This made our Colony populous, furnished us with mechanics of every kind, and helped us to make a further progress in trade and navigation, which required a larger medium than we had.

Therefore, Anno 1728, seeing that the merchants of Boston still persisted in buying up the silver and gold, that £4,000 of the bills then extant, were to be sunk annually, and that the fort was so far gone to decay, that to build a new one more regular,

strong and larger, was conceived to be most advantageous and beneficial, the General Assembly emitted £40,000 more, in bills of public credit, which was hired out upon the same loan, for thirteen years, upon the like good security, with the bills formerly emitted; the interest whereof, hath been appropriated to the building of a new fort and other public uses. Silver was at eighteen shillings per ounce at the striking off of these bills, and their total amount about £11,666 13s 4d.

Frequent experiments had convinced several of our farmers and husbandmen that the soil of the Colony was very suitable for the production of hemp; but it being a new undertaking, they petitioned the General Assembly that proper encouragement might be given them to raise a commodity which would not only be very serviceable to us, but might in time, prove of advantage to Great Britain itself.

It was also considered that the Provinces of the Massachusetts Bay and New Hampshire had been very successful, and served themselves in an eminent manner, by the whale and cod fishery; and that

this Colony was well situated to carry on so valuable a branch of trade.

The General Assembly thereupon, Anno 1731, passed an act for the emitting of £60,000 in bills of public credit, of the same tenor and on the same establishment with the former banks; the interest whereof, to be applied to the following uses: a premium or bounty was granted of ninepence per pound, on all good water-rotted, well manufactured hemp that should be raised within this Colony; five shillings per barrel on whale oil, one penny per pound on whalebone, and five shillings per quintal on good merchantable codfish, taken in any vessels belonging to this Colony. Silver was worth twenty-two shillings per ounce, when these bills were emitted, and their amount was about £14,218 3s 7d.

In the year 1733, the Colony having made some progress in the fishing business, perceived all their endeavors that way would certainly prove ineffectual, unless a convenient harbor, nearer the fishing ground, than that of Newport (being the nighest), were found out. They therefore formed a scheme of making an harbor on Block Island, fit to receive our

fishing vessels and the coasters of this and the neighboring governments. At the same time, we had just finished a very handsome, regular fort of stone and mortar, and as this fort is much larger than the former, and hath a large battery on the west side more than the other had, a number of cannon, carriages, &c., were wanting, and could not be obtained without money.

On this, therefore, and the aforementioned occasion, the General Assembly made another bank of £104,000 in bills of public credit, part of which was expended in purchasing cannons, carriages and other military stores for the fort, and the remainder exhibited upon loan in the same manner, and on the like good security with the former banks; part of the interest money arising thereon appropriated to build a pier and make the harbor on Block Island, and the rest of the said interest to the use of the public. Silver was worth at the emission of those bills, twenty-five shillings per ounce; and their total amount about £21,840.

1738. We emitted \$100,000 more, on the like security with the former banks, the interest to be

appropriated to the building of a large brick state house, for the Colony's use, and to erect a light house for the benefit of our navigation, and to render it more easy and secure. The cause of this emission, also, was the want of a sufficient medium of exchange. For the Colony of Connecticut carries on but a small trade, and that chiefly with the produce of their own soil, as wheat, Indian corn, peas, beans, onions, beef, pork, and such like commodities, and therefore stand in need of a very small medium, which, with a quantity of our bills passing there, hath rendered it unnecessary for them to make any large emissions of bills of credit; and the Province of the Massachusetts Bay, having their hands so tied up, that notwithstanding a great number of our bills is circulating among them, the merchants of Boston have been forced to emit a round sum of negotiable notes of hand, to supply the want of money, and prevent business from stagnation. Silver was at about twenty-seven shillings per ounce, when these bills were emitted; and their amount about £19,444 8s 10d.

1740. As the King's Most Excellent Majesty had

engaged in a just and necessary war against Spain, on account of the repeated depredations and unheard of cruelties by that nation exercised on our fellow-subjects, the General Assembly, at their session last winter, calling to mind the great danger we were constantly exposed to, in the late war with the French, by being unprovided with a vessel of war of our own, and so frequently obliged to take the vessels of private persons, and equip them in haste to go out and fight the enemy, as they came to infest our coast, resolved, and accordingly built, early the last spring, a fine sloop, of the burthen of one hundred and fifteen tons, mounted her with twelve carriage and twelve swivel guns; and furnished her with small arms, pistols, cutlasses, &c., to defend us against the enemy, should we be attacked.

In the former part of the current year, we received His Majesty's royal instructions, directing us to raise as many able-bodied, effective men in this Colony as would voluntarily enlist in his service, on an expedition intended against some of the King of Spain's territories in the West Indies. In obedi-

ence to which, the General Assembly immediately appointed three captains, and passed an act granting a bounty of £3, and other encouragement to every such man that should voluntarily enter into the aforesaid service. This zeal in the Assembly, animated the common people to such a degree, that two of the captains had completed their companies, each consisting of one hundred men, within the space of two months; the third had collected above seventy soldiers, and would have made up his company in due time, had the government been honored with another of the royal commissions.

These soldiers were billeted out, at the charge of the public (from the time of their being enlisted, till they were disbanded, about the 16th of August); and so were the other two companies, till the middle of September, when they embarked for New York, in two transports, hired by the Colony for that purpose, having first received blankets and other necessities, as a further gratuity from the government; all which extraordinary expenses, and the incident charges of government, greatly augmented by the war, made it absolutely necessary to emit more bills

of public credit. Upon which, the Assembly have this year, 1740, passed an act for issuing out £20,000 in paper bills, equivalent to silver, stated at six shillings and ninepence per ounce, to be let out at four per cent. upon loan (on such land security as hath been heretofore taken), for ten years, and then to be sunk by ten equal annual payments. Silver is now worth twenty-seven shillings per ounce, and the whole of this bank amounts to about £15,555 11s 1d.

And now, may it please your Lordships, having given you an exact account of the several emissions of our paper bills, their amount, &c., as was required, we entreat your Lordships to consider that this Colony was first purchased, then settled, and hath been at all times defended by its inhabitants at their own proper costs and charges, as well against the Indian natives in former times, as against foreign enemies of latter years; and that without ever becoming chargeable to our mother country, or repining at the expense; for, although we were not rich, yet poverty was a stranger among us, till the year 1710, when we were called upon to appear in the

field for the honor and interest of Great Britain. The vast expense of that and other expeditions, in the war, reduced us to a low ebb; yet we manfully struggled through our difficulties, and upon the restoration of peace, boldly ventured upon enlarging our trade, which God Almighty hath crowned with so great a success, that we follow the same path to this day.

We have now above one hundred and twenty sail of vessels belonging to the inhabitants of this Colony, all constantly employed in trade; some on the coast of Africa, others, in the neighboring colonies, many in the West Indies, and a few in Europe.

Besides the two hundred soldiers raised for His Majesty's immediate service, the merchants of the town of Newport have equipped five privateers, with crews, amounting in the whole, to near four hundred men, who are now cruising against the Spaniards.

Our fort is provided with thirty-six cannon, well mounted, and furnished with a suitable quantity of military stores; by which, and our having a privateer able to fight a hundred men on her deck, and ready

upon all emergencies, we are become the barrier and best security of the New England trade.

These, may it please your Lordships, are matters of the utmost importance to us; for navigation is one main pillar on which this government is supported at present; and we never should have enjoyed this advantage, had not the government emitted bills of credit to supply the merchants with a medium of exchange, always proportioned to the increase of their commerce; without this, we should have been in a miserable condition, unable to defend ourselves against an enemy, or to assist our neighbors in times of danger.

In short, if this Colony be in any respect happy and flourishing, it is paper money, and a right application of it, that hath rendered us so. And that we are in a flourishing condition, is evident from our trade, which is greater in proportion to the dimensions of our government, than that of any Colony in His Majesty's American dominions.

Nor have we served ourselves only, by engaging so deeply in navigation. The neighboring governments have been in a great measure, supplied with

rum, sugar, molasses and other West India goods by us brought home and sold to them here. Nay, Boston, itself, the metropolis of the Massachusetts, is not a little obliged to us for rum and sugar and molasses, which they distil into rum, for the use of their fishermen, &c.

The West Indies have likewise reaped great advantage from our trade, by being supplied with lumber of all sorts, suitable for building houses, sugar works and making casks ; beef, pork, flour and other provisions, we are daily carrying to them, with horses to turn their mills, and vessels for their own use ; and our African trade often furnishes them with slaves for their plantations. To all this, we beg leave to add, that the merchants of Great Britain, have, within these twelve months, or thereabouts, received seven or eight sail of ships from this Colony, for goods imported here of late, and sold to the inhabitants.

On the whole, your Lordships will perceive that the various emissions of bills in this Colony were made to answer good and generous intentions ; that the interest arising on the several banks, together

with part of some of the principal sums, have been applied to the necessary defence and support of the Colony, building of piers and harbors, for promoting the fishing business, and to encourage the raising and manufacturing of hemp, &c.

And although the sums emitted, are large in sound, yet, when the whole of what we have outstanding, to wit, £340,000, is reduced to sterling money, it will not amount to more than £88,074 16s 10 $\frac{3}{4}$ d, a very small sum to answer for a medium of exchange, considering the extent of our trade, the number of inhabitants, and their improvements; and that those bills answer the same end, and are the major part of the currency in the neighboring governments, and the banks emitted in 1728 and 1731, will begin to be sunk the next year.

Your Lordships will doubtless observe, that paper bills, have from the time of their being first made, sunk in value, till of late years, the cause whereof (which common experience hath taught us), we humbly take leave to suggest to your Lordships, it is supposed by many that the frequent emissions of those bills hath effected their depreciation, But the

contrary may be safely averred. For they always passed, and were received equal to silver, at so much per ounce, till the merchants of Boston, having large quantities of goods from Europe, and supplying all the governments of New England therewith, could find no way to make sufficient remittances, but by buying up all the silver and gold they could purchase. This put those commodities on the same level with common merchandize; and so they who wanted it most, bid higher and higher, till gold and silver arrived to the price they now bear, always taking care to rate their goods in proportion to what they last gave for sterling money. And this is the only true way of accounting for that misfortune; and what confirms it is, that the Colony of Connecticut have not, at this time, above £13,000 or £14,000 extant, in bills of credit; and yet it takes as much of their money to purchase an ounce of silver, as it does of the Massachusetts, New Hampshire or ours. Hereto, we beg leave to add, that within the space of about six or seven years, several of the merchants of Newport have contracted a correspondence in London, procured goods

to be sent to them, and thereby so well supplied our shop-keepers, that our dependence on Boston hath been in some measure taken off. In return for those goods, our merchants have remitted to their correspondents, ships of our own building, logwood fetched from the Bay of Honduras, in our own vessels; bills of exchange purchased of the planters, in the West Indies, and other commodities, in such quantities, that for these six years last past, bills have continued to be equal to silver, at twenty-seven shillings per ounce.

We are required to give our sentiments with regard to the easiest method of sinking the bills of credit now outstanding. In answer thereto, we can only assure your Lordships, that after our utmost efforts to do our money justice and save the inhabitants from inevitable ruin, we have not been able to find out a better way than to sink the several banks by ten equal annual payments. We have learnt from experience that this is a safe course, and therefore pursue it.

To conclude, we are humbly of opinion, that, considering the good foundation on which our bills

have been emitted, and the substantial security taken (according to the several acts) for paying in the same, no damage can possibly accrue from those emissions, which encourages us to hope that your Lordships and the honorable inspectors into those affairs will, from what little has been offered, view the state of this Colony in a true light, and find that we have acted such a part as has rendered this government strong and secure against our enemies, without any charge to Great Britain, and a barrier to that very Province that is always reviling us for the loss of their trade, as well as advanced ourselves to be not the most inconsiderable of His Majesty's plantations in America.

We are, may it please your Lordships,

Your most obedient and very humble servants,

RICHARD WARD, Governor,

For the company of the Colony of Rhode Island, &c.

**PRICES OF MERCHANDIZE IN THE TOWN OF
PROVIDENCE. 1746-1769.**

Prices at which certain articles in common use
were sold, in the Town of Providence, Colony of
Rhode Island, during the years 1746-1769, from old
bills and accounts in possession of the publisher :

	£	s.	d.
1746. Rum, per gallon.....	13	0	
Molasses, per gallon.....	1	3	0
Mutton, per quarter....	5	0	
Salt, per bushel.....	14	0	
1748. Salt, per bushel.....	1	16	0
Flour, per barrel.....	18	1	6
Rum, per gallon.....	1	0	0
1749. Silk Handkerchief.....	2	0	0
1753. Pork, per barrel.....	34	0	0
1754. Rum, per gallon.....	1	8	0
Loaf sugar, per pound	10	0	
White pine boards, per foot.....	8	0	0

	£	s.	d.
Wool, per pound.....		9	10
Pair shoes.....	2	10	0
1756. Pair boots.....	8	0	0
1757. Worsted stockings, per pair.....	6	0	0
Tow cloth, per yard.....	1	12	0
Tea, per pound.....	6	10	0
Cloves, per ounce.....	2	0	0
1758. Nails, per pound.....	1	0	0
Thread, per pound.....	8	0	0
Paper, per quire.....	1	10	0
Flannel, per yard.....	2	5	0
Small arm.....	42	0	0
1759. Bushel of corn.....	2	15	0
Bushel of rye.....	3	0	0
Stick of twist.....		18	0
1760. Butter, per pound.....		14	0
Beaver hat.....	40	0	0
Felt hat.....	5	0	0
Coffee, per pound.....	1	0	0
Raisins, per pound.....	1	0	0
Pair of breeches.....	6	0	0
Pair of leather breeches.....	8	0	0
Veal, per pound ..		6	0
Skeln of silk.....		12	0
1765. Molasses, per gallon.....	2	11	0
Tallow, per pound.....		12	0
Candles, per pound.....		16	0
Salt, per bushel.....	2	13	4

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	£	s.	d.
1765. Prussian blue paint, per pound.....	8	0	0
Spanish white paint, per pound... ..	6	0	
Spanish brown paint, per pound.....	10	0	
Day's work of a painter.	8	0	0
1766. Diaper, per yard	2	2	0
1768. Rice, per cask.....	111	15	0
1769. Flour, per barrel	45	4	9
Tar, per barrel.....	16.	0	0
Grindstone.....	23	6	8

PRICES OF MERCHANDIZE FOR THE STATE OF RHODE ISLAND, 1779.

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In August, 1779, a convention was held at East Greenwich, comprising the most eminent men in the State, to consider the prices at which certain articles of merchandize should be sold throughout the State. The following schedule¹ was fixed by them :

	£	s.	d.
West India rum, per gallon.....	6	15	0
New England Rum, per gallon.....	5	5	0
Molasses.....	4	16	0
Coffee, per pound.....		18	0
Brown sugar, per pound.....11s. to 15s.			
Bohea tea, per pound.....	5	17	0
Cotton, per pound.....	1	17	0
German steel, per pound.....	1	17	0
Imported salt, per bushel.....	13	10	0

1. Providence Gazette, August 14, 1779.

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	£	s.	d.
Home made salt, per bushel.....	10	0	0
Indian corn, per bushel.....	4	10	0
Rye, per bushel.....	5	10	0
Barley, per bushel.....	4	0	0
Beef, per pound.....	5	0	
Mutton, lamb or veal, per pound.....	4	6	
Butter, per pound.....	13	0	
Cheese, per pound.....	6	6	
Bloomery Iron, per cwt.....	27	0	0
Sheep's wool, per pound.....	18	0	

PRICES FOR LABOR AND MERCHANDIZE IN THE TOWN OF PROVIDENCE. 1779.

In the month of September, 1779, the freemen of the Town of Providence assembled and fixed the prices for sundry kinds of labor in the Town at the following rates :¹

	£	s.	d.
Common laborer, at per day	2	8	0
Ship carpenters, at per day	3	18	0
House carpenters, at per day	3	12	0
Blacksmith's work, per pound		10	0
Blacksmith's work, shoeling a horse	4	10	0
Blacksmith's work, steeling and calking a horse all round	6	0	0
Blacksmith's work, for good wood axe	6	0	0
Tanners, for good sole leather, per pound		18	0
Shoemakers, for best customers' shoes	6	6	0

1. Providence Gazette, September 4, 1779.

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	£	s.	d.
Shoemakers, for best boots.....	25	4	0
Leather dressers, for best deer's leather breeches...	33	0	0
Hatters, for best beaver hats	35	0	0
Hatters, for best castor hats	21	0	0
Hatters, for best felt hats	4	0	0
Tailors, for best broadcloth clothes.. ..	17	0	0
Glaziers, for setting glass and finding putty, per square.....		4	0
Saddlers, for a good man's saddle with howsing....	43	0	0
Saddlers, for a good bridle.....	4	10	0
Sallmakers, for working new duck, per bolt.....	5	8	0
Milk, per quart...		4	0
Rough tallow, per pound.....		6	6

UNITED STATES VALUATION OF HOUSES AND LANDS IN RHODE ISLAND. 1800.

Abstract of the valuation of houses, lands and slaves, by the United States Commissioners of the Direct Tax, for the State of Rhode Island, April, 1800 :

5,407	Dwelling Houses,	first class,	at	\$250	each.
1,193	"	"	second	"	750 "
408	"	"	third	"	1,334 "
13	"	"	fourth	"	4,377 "
2	"	"	fifth	"	9,000 "

There were 36 dwellings exempted by law, making the total number of dwellings in the State 7,059.

There were 566,767 acres of land, of which 924 acres were exempted, making the average value per acre of land, \$14.50.

There were 168 slaves in the State, 24 were exempt under the law ; on the remainder, 144, a tax was assessed. .

REPORTS MADE BY SEVERAL COMMITTEES
OF THE
RHODE ISLAND GENERAL ASSEMBLY
ON THE
STATE OR CONDITION
OF THE
BILLS OF CREDIT OR PAPER MONEY
ISSUED BY THE COLONY.

REPORT OF A COMMITTEE ON THE STATE OF
BILLS OF CREDIT. 1739.

THE General Assembly, during its August session, 1739, passed a resolution to the effect that John Chipman and Peter Bours, Esquires, Messrs. Godfrey Malbone, John Spencer, Jun'r, Joseph Whipple, William Ellery and James Martin, be, and they are hereby appointed a committee, they, or the major part of them, to audit the Grand Committee's accounts, and they, the said committee, or the major part of them, burn all the money in the Grand Committee's hands paid in for tenths, in presence of the Governor and such of his council as live in Newport, with the Deputies of said town, if they please to attend the same, and make report to next session of Assembly. This Committee accordingly made their report at the following October session.

THE COLONY OF RHODE ISLAND, &C.						DR.
1710,	May,	An act passed for emitting of				£5,000
	Oct.	"	"	"	"	1,000
	Nov.	"	"	"	"	1,000
1711,	June	"	"	"	"	6,000
	Nov.	"	"	"	"	300
	1723, Feb.	An act passed to emit and put into the General Treasurer's hands for exchanging torn bills,				£2,000
	1726, June.	An act passed for emitting to exchange five pounds and forty shillings bills that were called in, ¹				£46,634
	1728, June.	An act passed for emitting and lending to the Fort, to be re-paid again out of the interest of the loan money,				£2,000
	1728, June.	An act passed to emit and put into the General Treasurer's hands for exchanging torn bills,				£3,000
	1730, Oct.	An act passed to emit and put into the General Treasurer's hands for exchanging small bills,				£1,000

1. Fractions omitted, which changes the footings as given in this and the following pages — but the totals are correct as given in the original reports.

1733, July. An act passed for emitting to provide guns for the Fort, £4,000

1734, Oct. An act passed for emitting and delivering to the General Treasurer and Town Treasurers, in proportion, small bills to exchange for larger torn money to burn, £2,000

At the same time made more by the Grand Committee, £67

1737, June. An act passed for emitting to exchange torn bills, £30,000

1738, May. An act passed to emit for the same purpose, £10,000

Total, £114,001

1728.¹ Impressed and lent to William Borden, without interest, the sum of three thousand pounds, for ten years, and afterwards continued by Act of Assembly for five years longer after the expiration of the first term.

THE COLONY OF RHODE ISLAND, &c.

CR.

1715, Oct. By the three hundred pounds debited on the other side, being lent to Capt. James Green,

1. See page 50 *ante* for an account of this transaction.

for a term without interest, and by that General Assembly ordered to be burnt, £300

1732. By bills of the first impression, burnt by order of the several General Assemblies from the year 1714 to the year 1732, amounting to, by list thereof number one, £11,499

By five pounds and forty shillings bills, exchanged of them that were called in by the General Assembly, in June, 1726, and burnt by order of the several General Assemblies from the year 1727 to the year 1732, amounting to, by list thereof number two, £30,383

1737, Feb. By so much the Grand Committee delivered to and burnt by the General Assembly, being old money they received of the several Treasurers, for the small bills emitted in the year [Oct.] 1734, £2,067

1739. By bills of all impressions burnt by order of the several General Assemblies, from the year 1717 to the year 1739, amounting to, by list thereof number three, £61,455

Total, £105,704

Lodged in the General Treasurer's hands, belonging to the Colony, one bond from Jona. Sprague, for defraying charges about the gore.¹ Penalty, £3,000

Four bonds from Edward Thurston, at fifteen pounds each, for interest money, £60

One bond from Samuel Bissel, for so much lent him, £200

One bond from Edward Greenman, payable in 1724, for £20

Three bonds from Edward and Silas Greenman,² for making good, damages [from] counterfeit bills.

LIST NUMBER ONE.

The amount of bills burnt of the old impression that were emitted on the credit of the Colony :

Times when burnt.	Amount.	Times when burnt.	Amount.
June, 1714,	£1,102	September, 1718,	847
June, 1717,	1,718	June, 1719,	1,019
June, 1718,	540	June, 1720,	716

1. The Attleborough Gore was a territory over which both the Colonies of Massachusetts and Rhode Island claimed jurisdiction, the inhabitants of which had repeatedly petitioned to be attached to the latter Colony. The tract, comprising twenty thousand acres, was finally given to the Colony of Rhode Island by a Royal Decree in 1746.

2. See page 92 *ante*.

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HISTORICAL TRACT.

Times when burnt.	Amount.	Times when burnt.	Amount.
June, 1721,	£149	June, 1727,	£1,385
June, 1722,	277	June, 1728,	995
Aug., 1722,	191	June, 1729,	508
June, 1723,	422	June, 1730,	284
June, 1724,	485	June, 1731,	143
June, 1725,	322	June, 1732,	233
June, 1726,	155	Total,	<u>£11,499</u>

LIST NUMBER TWO.

Of the five pounds and forty shillings bills made for exchange :

Times when burnt.	Amount.
June, 1727,	- - - - £12,550
June, 1728,	- - - - 8,024
June, 1729,	- - - - 3,077
June, 1730,	- - - - 2,314
June, 1731,	- - - - 2,822
June, 1732,	- - - - 1,594
Total,	<u>£30,383</u>

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LIST NUMBER THREE.

OF ALL IMPRESSIONS TOGETHER.

Times when burnt.	Amount.	Times when burnt.	Amount.
June, 1717,	£4	June, 1728,	£1,553
June, 1719,	132	June, 1729,	950
June, 1720,	142	June, 1730,	1,009
June, 1721,	105	June, 1731,	1,233
June, 1722,	174	June, 1732,	553
Aug., 1722,	43	June, 1733,	3,946
June, 1723,	219	Aug., 1735,	1,015
June, 1724,	422	June, 1736,	3,515
June, 1725,	547	June, 1737,	4,042
June, 1726,	438	June, 1738,	26,269
June, 1727,	1,055	Aug., 1739,	14,077

REPORT OF A COMMITTEE.

1749.

Report of a Committee of the General Assembly of Rhode Island, on the amount of bills of credit issued and then outstanding, made by request of His Majesty's Government, February, 1749 :

Whereas this Assembly, at their session in South Kingstown, on the last Wednesday of October last, appointed a Committee to prepare an account (agreeable to the letter of the Duke of Bedford, one of His Majesty's principal Secretaries of State, to the Governor and Company of this Colony), of the tenor and amount of all the bills of credit which have been created and issued by this government, and are now outstanding, &c. — and the major part of the Committee having assumed that province and

perpetrated the business, made report to this Assembly as followeth :

"The Colony of Rhode Island, in the year 1728, emitted forty thousand pounds in bills of public credit, equal then to twelve thousand eight hundred pounds sterling, to be let on loan on land security of double the value, and at five per cent. per annum interest for thirteen years. The interest was appropriated to the repairing and furnishing Fort George, the principal to be sunk by ten equal annual payments, two of which are yet outstanding, equal to seven hundred and twenty-seven pounds, five shillings and sixpence sterling, and the sinking thereof will be completed in the year 1751.

"And in the year 1731, the Colony emitted sixty thousand pounds in bills of public credit, equal then to sixteen thousand eight hundred and forty-one pounds, seventeen shillings and fourpence sterling, to be let out on loan on land security of double the value at five per cent. per annum interest for ten years. The interest was appropriated to encourage raising hemp, flax, and the catching of fish and making oil, by proper bounties given by the emit-

ting act. The principal to be sunk by ten equal payments, two of which are yet outstanding, equal to one thousand and ninety pounds, eighteen shillings and threepence sterling, and the sinking of it will be finished in the year 1751.

"And in the year 1733, the Colony emitted one hundred thousand pounds in bills of public credit, equal to twenty-five thousand three hundred and ninety-six pounds and sixteen shillings sterling, to be let out on loan on land security of double the value and at five per cent. per annum interest for ten years. The interest was to be appropriated to purchasing of cannon for Fort George and erecting a pier at Block Island. The principal to be sunk by ten equal annual payments, four of which are yet outstanding, equal to three thousand six hundred and twenty-seven pounds, five shillings and sixpence sterling, and the sinking of this sum will be completed in the year 1753.

"Again in the year 1738, the Colony emitted one hundred thousand pounds in bills of public credit, equal then to nineteen thousand seven hundred and fifty-three pounds, one shilling and fourpence ster-

ling, to be let on loan on land security of double the value at five per cent. per annum interest for ten years. The interest was appropriated to the building of a State-House for the Colony and a Light-House for the benefit of navigation. The principal to be sunk by ten equal annual payments, nine of which are yet outstanding, equal now to eight thousand one hundred and eighty-one pounds, sixteen shillings and fourpence sterling, and the sinking of this sum will be completed in the year 1758.

"Again in the year 1740, the Colony emitted twenty thousand pounds in bills of a new tenor, equal to eighty thousand pounds of their former bills, and to fifteen thousand eight hundred and two pounds, eight shillings sterling, to be let out on loan on land security of double the value on interest for ten years at four per cent. per annum. The interest appropriated to building a Guard Sloop for the Colony and paying the Colony's expenses in the Expedition to the West Indies. The principal to be sunk by ten equal annual payments, the whole of which is now outstanding, and is equal to seven thousand two hundred and seventy-two pounds, four-

teen shillings and sixpence sterling. The sinking of this sum will be completed in the year 1760.

"And lastly, in the year 1743, the Colony emitted forty thousand pounds of the new tenor bills, equal to one hundred and sixty thousand pounds in bills of the old tenor, and to twenty-eight thousand, four hundred and forty-four pounds, five shillings and fourpence sterling, to be let out on loan on land security of double the value, to pay interest ten years at four per cent. per annum, which was appropriated to put the Colony in a posture of defence during the war. The principal to be paid in ten equal annual payments, and the whole of this sum is now outstanding and is now equal to fourteen thousand, five hundred and forty-five pounds, nine shillings and a penny sterling, and the sinking of it will be completed in the year 1763.

"At divers times from the year 1710 to the year 1747, the Colony has emitted bills of public credit for the supply of the Treasury, to the amount of three hundred and twelve thousand three hundred pounds, old tenor, and there hath been called in and burnt at several times, from the year 1728 to 1748,

one hundred and seventy-six thousand, nine hundred and sixty-four pounds (and a fraction) ; and by the last settlement of the General Treasurer's accounts it appears that there was then in the Public Treasury twenty-four thousand, eight hundred and ninety-one pounds. From all which it appears that there is now outstanding of the bills issued to supply the treasury, one hundred and ten thousand, four hundred and forty-four pounds, the whole of which outstanding sum was issued in the years 1746 and 1747, and is equal to ten thousand and forty pounds sterling.

"And the Parliament having granted to this Colony for their services in the Cape Breton Expedition, six thousand, three hundred and thirty-two pounds, twelve shillings and tenpence sterling, and the Colony having paid by order of the Crown the wages of the officers and soldiers raised for the Canada Expedition, three thousand pounds sterling, the said two sums being nine thousand, three hundred and thirty-two pounds, twelve shillings and tenpence sterling, are a fund for sinking so much of the Colony's outstanding bills, and the remainder being seven hun-

dred and eight pounds, fourteen shillings and sevenpence sterling, is to be called in and sunk by a tax on the inhabitants of this Colony.

"The reason of the great depreciation observable in the bills issued by the Colony, is because the inhabitants of New England constantly consume a much greater quantity of British manufactures than their exports are able to pay for, which makes such a continual demand for gold, silver, and bills of exchange, to make remittances with, that the merchants to procure them are always bidding one upon another, and thereby daily sink the value of paper bills with which they purchase them. And it is plain that where the balance of trade is against any country, that such part of their medium of exchange as hath a universal currency will leave them, and such part of their medium as is confined to that country will sink in its value in proportion as the balance against them is to their trade. For what hath been the case with Rhode Island bills, hath also been the common fate of all the paper bills issued by the other Colonies in New England, they having been all emitted at near equal value, and have

always passed at par one with another, and consequently have equally sunk in their value: and this will always be the case with infant countries that do not raise so much as they consume, either to have no money, or if they have it, it must be worse than that of their richer neighbors, to compel it to stay with them."

Which Report being duly considered, this Assembly do vote and resolve, and it is hereby voted and resolved, That his Honor, the Governor, transmit the substance¹ thereof under his hand to Mr. Agent Partridge, to be by him delivered to his Grace, the Duke of Bedford, one of his Majesty's principal Secretaries of State, in answer to his Grace's letter to this Colony about the bills of public credit emitted here, &c., and also that a duplicate thereof be sent to the said Agent for his own use.

And at the same time the Committee aforesaid presented with their report what follows:

1. A copy of the summary of this report, which was prepared to be forwarded to England, can be found on page 168 of the Volume of Reports, 1728-1750, in the archives of the Secretary of State.

THE COLONY FOR ALL MONEY EMITTED FOR SUPPLY OF THE
TREASURY. DR.

1710, <u>May</u> , to cash emitted,	-	-	£5,000
Oct., " " "	-	-	1,000
Nov., " " "	-	-	1,000
1711, June, " " "	-	-	6,000
Nov., " " "	-	-	300
1726, June, " " "	-	-	46,000
1728, June, " " "	-	-	2,000
1730, Feb., " " "	-	-	1,000
1733, July, " " "	-	-	4,000
1737, June, " " "	-	-	30,000
1738, May, " " "	-	-	10,000
1740, Sept., " " "	-	-	10,000
1741, May, " " "	-	-	8,000
Oct., " " "	-	-	8,000
1744, March, " " "	-	-	10,000
1745, May, " " "	-	-	15,000
Sept., " " "	-	-	20,000
1746, June, " " "	-	-	45,000
Feb., " " "	-	-	60,000
1747, Feb., " " "	-	-	30,000
Total,			£312,300

FOR WHAT HAS BEEN BURNT.

CR.

1727, June. By cash burnt at several times before this date, as appears by a settlement of the General Treasurer's account, £12,550

1728, June, By cash burnt this year, 9,019

1729, " " " " " " 3,604

1730, " " " " " " 6,430

1731, " " " " " " 1,376

1732, " " " " " " 2,381

1733, " " " " " " 3,946

1734, " " " " " " 1,015

1736, " " " " " " 3,525

1737, " " " " " " 4,042

1738, " " " " " " 26,269

1739, " " " " " " 14,077

1748, " " " " " " 88,725

£176,964

Balance due from the Colony, £135,335

Total, £312,300

We, the subscribers, being appointed a Committee to enquire into the state of the bills of public credit that have at any time been emitted by the Colony of

Rhode Island, do report that the Colony hath issued for the supply of the General Treasury, at the times noted on the debt side of the above account, three hundred and twelve thousand three hundred pounds, and that there hath been burnt at the times noted on the credit side of this account, about one hundred and seventy-six thousand, nine hundred and sixty-four pounds, and that there is now circulating of bills of credit emitted by the Colony for a supply of the Treasury, about one hundred and thirty-five thousand, three hundred and thirty-five pounds.

PETER BOURS,
STEPHEN HOPKINS,
DANIEL JENCKES.

Newport, Feb. 27, 1749.

And this Assembly having taken the said report into consideration, do vote and resolve that the same be and it is hereby adopted.

REPORT OF COMMITTEE OF 1762.

Report of a Committee of the Rhode Island General Assembly, to examine how much of all sorts of money hath been emitted on the credit of the Government, August, 1762 :

Whereas his Honor the Deputy Governor, Edward Scott and George Hazard, Esq's., and Messrs. Walter Cranston and William Richardson, who were appointed a Committee to examine how much of all sorts of money hath been emitted upon the faith and credit of the Government, presented unto this Assembly the following state of that account, and report, to wit :

THE COLONY OF RHODE ISLAND &C.

DR.

For Bills of Credit emitted to supply the General Treasury.

1749-50, Feb. 27. To bills of credit outstanding the 27th of February, 1749, as by report then made to the General Assembly, (old tenor), £135,335

CREDITOR.

1751, June. By bills of credit received for bills of exchange, and burnt as per report made to the General Assembly, June 18, 1751, £24,280

THE COLONY OF RHODE ISLAND.

CR.

1751, June. By do. part of the rate for thirty-five thousand pounds old tenor, ordered in October, 1754, and burnt, as per report made to the General Assembly, dated Feb. 13, 1756, £13,792

By do. part of the rate for seventy thousand pounds old tenor, ordered in October, 1755, burnt, as per report made in February, 1758, £3,575

Bills of credit yet outstanding, due from the Colony in old tenor bills, £93,687

Total, £135,335

DEBTOR.

Old Tenor.

1755, March 6th. To Crown Point Bills, £60,000

June. " " " " 40,000

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1755, August.	To Crown Pont bills,	20,000
September.	“ “ “	60,000
December.	“ “ “	60,000
Total,		<u>£240,000</u>

CREDITOR.

1756, Aug.	By Crown Point bills burnt, as per report made to the General Assembly,	£18,208
1756, November.	By ditto,	£18,430
1757, March.	By Crown Point bills burnt, as per report made to the General Assembly,	£177,006
June.	By ditto, per receipt given the late Treasurer,	£11,400
1758, Feb.	By ditto, per report made to the Assembly,	£7,717
Sept.	By ditto, per receipt given to the late Treasurer,	£2,930
1759, June.	By ditto, per report made to the Assembly,	£1,181
1761, Feb.	By ditto, as per Treasurer's account then audited,	£760
May.	By ditto, per receipt given to William Richardson,	£42
Total,		<u>£237,678</u>

THE COLONY OF RHODE ISLAND.		Dr.
1756, Feb.	To lawful money bills,	£8,000
Aug. and Sept.	To ditto, (the bills dated in August,) 1756,	£6,000
Total,		<u>£14,000</u>

CREDITOR.

1758, Feb. 14.	By lawful money burnt, as per report made to the Assembly,	£4,000
Sept. 15.	By ditto, emitted in February, 1756, as per receipt given to the late Treasurer,	£3,764
1759, June.	By ditto, in full for said money, as per report made to the Assembly,	£235
	By ditto, August, lawful money, per ditto,	£5,605
1761, Feb. 9.	By ditto, per receipt given to the late Treasurer,	£312
May 29.	By ditto, per receipt given to William Richardson,	£5
Total,		<u>£13,923</u>

Delivered to the present Treasurer, seventy-six pounds, fifteen shillings, four and one-half pence, lawful money, in gold.

DEBTOR.

1758, May 8. To lawful money bills, carrying an interest of five per cent. per annum,	£10,000
October. To ditto, (the bills dated 23d December, 1758),	£10,909
1759, Feb. 26. To ditto, (the bills dated 15th March, 1759),	£12,000
To ditto, (the bills dated 4th April, 1759),	£4,000
June. To ditto,	£4,000
1760, Feb. 25. To ditto, (the bills dated 10th March, 1760),	£16,000
May. To ditto;	£11,000
1762, Feb. To ditto, (the bills dated 20th March, 1762),	£5,000
March. To ditto, (the bills dated 10th April, 1762,)	£2,000
May 8. To ditto,	£2,000
Total,	<u>£76,909</u>

CREDITOR.

1762, May. By bills dated June 23, 1759, burnt, as per report made to the Assembly, (lawful money),	£3,686
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Ditto, dated May 8, 1758, burnt, as per same report,

£6,819

Total, £10,506

We, the subscribers, being appointed by the General Assembly a Committee, to examine how much of all sorts of bills hath been emitted upon the faith and credit of the government, do report: That of the several emissions preceding the 27th day of February, 1749, there was outstanding at that time (as appears by a report then made to the General Assembly, a copy of which is herewith presented,) the sum of one hundred and thirty-five thousand, three hundred and thirty-five pounds.

That it appears by a report made to the General Assembly in June, 1751, there was burnt of bills of credit received for bills of exchange sold, the sum of twenty-four thousand, two hundred and eighty pounds, old tenor.

That in October, 1754, the General Assembly ordered a rate for thirty-five thousand pounds, old tenor, ten thousand pounds of which they appropriated for Fort George, and the remainder to sinking

the Colony's outstanding bills of credit made to supply the Treasury: but there was only thirteen thousand, seven hundred and ninety-two pounds applied to the sinking of the said bills. Eleven thousand, two hundred and eight pounds, collected by that rate, was exchanged for Crown Point bills, which were burnt, as appears by a report made to the Assembly, in August, 1756.

In October, 1755, the General Assembly passed an act for a tax of seventy thousand pounds, old tenor, and ordered that forty thousand pounds thereof should be appropriated towards sinking the Colony's outstanding bills of credit, made and emitted to supply the General Treasury for defraying the charge of the then present expedition; and the remaining thirty thousand pounds towards sinking the outstanding bills of credit made and emitted to supply the Treasury for defraying the charge of former expeditions: but by an act passed in February following, the whole of that tax or rate was appropriated towards sinking the bills emitted for carrying on the expedition against Crown Point.

In November, 1756, there was burnt in old tenor

bills, collected by the said tax, the sum of fifty-two thousand, two hundred and seventy-one pounds, of which there was in Crown Point Money, eighteen thousand, four hundred and thirty pounds; the remainder of the sum then burnt, amounting to thirty-three thousand, eight hundred and forty-one pounds, fourteen shillings and fivepence, was, by order of Assembly, taken out of the Grand Committee's Office, and placed in the General Treasury. However, it appears by a report made to the General Assembly, in February, 1758, that there was burnt, three thousand, five hundred and seventy-five pounds, fifteen shillings and elevenpence old tenor, part of this rate made in 1755.

The three sums placed on the credit side of the account, amounting to forty-one thousand, six hundred and forty-seven pounds, seventeen shillings and elevenpence, being deducted from the sum outstanding, the 27th of February, 1749, there remains ninety-three thousand, six hundred and eighty-seven pounds, fifteen shillings and two and one-half pence, old tenor, which is now outstanding in old, or rather

new tenor bills, emitted upon the faith and credit of the government.

There was emitted at the several times in the year 1755, noted on the debt side of the account, the sum of two hundred and forty thousand pounds, old tenor, in bills called Crown Point Money, of which, as appears by the several reports made to the General Assembly, held at the times noted on the credit side, and by receipts given to the late General Treasurer, Thomas Richardson, Esq., and to his Executor, Mr. William Richardson, (copies of which receipts we herewith present,) there hath been burnt the sum of two hundred and thirty-seven thousand, six hundred and seventy-eight pounds, three shillings. We think it proper to mention that the Crown Point Bills first placed in the account as burnt, were burnt at two several times; first, seven thousand pounds, and afterwards, the eleven thousand, two hundred and eight pounds, above mentioned: and that there was presented to the General Assembly, held in September, 1757, a report dated May 27, 1757, in which the Committee who made that report, say they had received and

burnt eleven thousand, fifty-three pounds, one shilling, Crown Point Money; but as we believe that sum was included in the receipt dated June 2d, 1757, we have not placed it in the account.

In the year 1756, there was emitted in bills called Lawful Money, the sum of fourteen thousand pounds, whereof eight thousand pounds was in bills dated in FEBRUARY, 1756, and six thousand pounds in bills, dated in AUGUST, 1756. There was burnt of these lawful money bills, the sum of four thousand pounds, as appears by a report made to the General Assembly, held the 14th of FEBRUARY, 1758, and the sum of three thousand, seven hundred and sixty-four pounds, nineteen shillings and eightpence, in bills emitted in FEBRUARY, 1756, as appears by a receipt, a copy of which we herewith present, given to the before mentioned General Treasurer: there was also burnt the sum of two hundred and thirty-five pounds, fourpence, Lawful Money, emitted in FEBRUARY, 1756, as appears by a report made to the General Assembly, held in JUNE, 1759, which the Committee that burnt it say is in full for said money. It is in full for eight

thousand pounds, but through inadvertence the Committee burnt some of the bills dated in AUGUST, instead of those dated in FEBRUARY—some of the latter being still extant. By the last mentioned report it appears that the Committee had burnt five thousand, six hundred and five pounds, nineteen shillings, AUGUST, lawful money, and by a receipt dated FEBRUARY 9th, 1761, given to the aforesaid late General Treasurer, it appears that the Committee had received of him and burnt, three hundred and twelve pounds, threepence, AUGUST, lawful money; and by another receipt dated MAY 29th, 1761, given to Mr. William Richardson, (a copy of both which receipts we herewith present,) it appears they had received of him and burnt, five pounds, five shillings and sixpence, of said lawful money. The three sums of monies last mentioned, together with seventy-six pounds, fifteen shillings, and four and one-half pence, lawful money in gold, delivered by the said William Richardson, to the present General Treasurer, Joseph Clarke, Esq., amount to six thousand pounds, one and one-half pence, and will, when the said gold is exchanged, compleat the sink-

ing of the whole fourteen thousand pounds above mentioned.

In MAY, 1758, there was emitted ten thousand pounds lawful money in bills, carrying an interest of five per cent. per annum, and in pursuance of acts of Assembly, there have been several emissions since of the like sort of bills, at the times noted on the debt side of the account, amounting, with the aforesaid emission in MAY, to the sum of seventy-six thousand, nine hundred and nine pounds, five shillings and threepence, lawful money; of which there hath been burnt, three thousand, six hundred and eighty-six pounds, ten shillings, in bills, dated JUNE 23d, 1759, and six thousand, eight hundred and nineteen pounds, ten shillings and ninepence in bills, dated MAY 8, 1758, both sums exclusive of interest on the bills, as appears by a report made to the General Assembly in MAY last past. The General Treasurer hath informed us that he hath in his hands the sum of sixty-two pounds, four shillings and sixpence, in MAY bills, 1758, and the sum of one hundred and one pounds in JUNE bills, 1759, and gold sufficient to redeem the remainder of the

said JUNE bills still outstanding. We submit this report to the Hon. General Assembly, and are their most humble servants.

JOHN GARDNER,
EDWARD SCOTT,
GEORGE HAZARD,
WALTER CRANSTON,
WILLIAM RICHARDSON.

Newport, August 13th, 1762.

And the foregoing report being duly considered, it is voted and resolved, that the same be, and hereby is accepted.

From report made August, 1762, it appears there was then due from the Colony, forty-three thousand, seven hundred and forty-nine pounds, sixteen shillings, old tenor, upon bonds given for old tenor bills, hired at ten per cent. ; also, five thousand sixty-one pounds, lawful money, hired at seven per cent. ; also, seven thousand, one hundred and ninety-one and one half dollars. The interest on the bonds is not included. There was then in the Treasury, eight hundred and ninety-six pounds, twelve

shillings, lawful money, one thousand, nine hundred and fifty-three pounds, threepence, New York currency, three hundred and fifty-four pounds, ten shillings, in gold, four hundred and twenty-four pounds, eleven shillings and sixpence, in silver-milled dollars, amounting to one thousand sixty-one and seven-sixteenths dollars, and one thousand, one hundred and seventy-three pounds, eighteen shillings and ninepence, in New York paper bills. Part of the last tax had not then been paid in.

REPORT OF COMMITTEE. 1764.

Report of a Committee of the Rhode Island General Assembly, on the state of paper bills of credit since 1749, made at the October session, 1764 :

Whereas the Committee, appointed to prepare a state of the paper currency of this Colony, in answer to the requisition of the Lords' Commissioners for Trade and the Plantations, presented unto this Assembly the following state of the same, to wit :

A state of the paper bills of credit issued since the year 1749, by the Colony of Rhode Island, drawn up in obedience to an order of the Lords' Commissioners of Trade and Plantations, dated at Whitehall, the 11th of May, 1764.

In the month of March, 1750, there were issued

by said Colony, twenty-five thousand pounds in bills, equal in value to about eighteen thousand, seven hundred and fifty pounds sterling. These bills were let out upon loan for ten years at five per cent. interest, and then to be paid in at five equal annual payments, the whole of which sums is near expiring. These bills having depreciated are now of two-fifths of the value they were at when emitted. All the outstanding bills emitted before the year 1750, called Old Tenor, are drawing near their periods and will terminate in a short time.

In the year 1755, for paying the expence incurred by the Colony in carrying on the Expedition against Crown Point, there were issued bills equal to thirteen thousand, five hundred pounds sterling, to circulate two years without interest, and then to be called in and sunk, which was performed punctually within the time limited.

In the year 1756, for paying the expences incurred by the Colony in the second expedition against Crown Point, there were issued bills equal in value to ten thousand, five hundred pounds sterling, like those of the last year, to circulate two

years without interest, and then to be called in and sunk, which was fully done within the time limited,

The war still continuing, and the Colony being called upon for larger quotas of men than it had hitherto raised, perceived that bills must of necessity be issued for a longer period than two years, otherwise it would be unable to preserve their credit by a punctual payment at the time promised. Accordingly, in the year 1758, the Colony issued bills, agreeable, as it supposed, to one of the provisoes contained in the act of Parliament, passed in the twenty-fourth year of the reign of his late Majesty, King George the Second, entituled "An Act to regulate and restrain paper bills of credit in his Majesty's Colonies or Plantations, of Rhode Island and Providence Plantations, Connecticut, the Massachusetts Bay, and New Hampshire, in America, and to prevent the same being legal tenders in payment of money." Which bills were to circulate for five years, and carry an interest of five per centum per annum. Twenty thousand, nine hundred and nine pounds was this year issued, agreeing in value to the Proclamation of the Tenth of Queen Anne, and to

fifteen thousand, six hundred and eighty-one pounds, fifteen shillings sterling. These bills were wholly called in and burnt within the time. But as all the paper bills that have been emitted by the Colony since the year 1758, have been in exact conformity in every respect to those emitted at that time, we here subjoin a copy of the Act of Assembly by which part of the said bills were created and issued, as a specimen of all the emitting acts since that time.

"An Act for emitting, in Bills of credit, a sum not exceeding ten thousand pounds, lawful money."

Whereas the General Assembly, of this Colony, at their session in South Kingstown, on Monday, the 13th of March last, in obedience to his Majesty's commands, signified by one of his principal Secretaries of State, passed "an Act for raising and paying one thousand able-bodied, effective men, for the ensuing campaign against his Majesty's enemies in North America." And in order to supply the General Treasury for carrying the intentions of the act aforesaid into execution, the Assembly then directed the Treasurer to hire as much money as would be

needful for that purpose, but the Treasurer having found it altogether impracticable to hire sufficient sums of money for the ends aforesaid, and it being of the utmost necessity and importance that the Treasury should be sufficiently supplied on this extraordinary occasion :

Therefore, be it enacted by this General Assembly, and by the authority of the same it is enacted, That bills of credit be forthwith impressed from types, and signed by the persons hereinafter named, to a value not exceeding ten thousand pounds, lawful money, esteeming silver at and after the rate of six shillings and ninepence per ounce, and gold at its proportionate value ; that the said bills shall carry an interest of five per cent. per annum to the possessor, and shall pass with the interest added to them, in all payments in which those bills are a lawful tender. The bills so emitted shall be of the denomination of thirty shillings, twenty shillings, ten shillings, five shillings, two shillings, one shilling, and of sixpence, and an equal number of bills shall be made of each denomination, and the bills shall be of the following form :

"The possessor of this bill shall be paid by the Treasurer of the Colony of Rhode Island thirty shillings lawful money, at the rate of six shillings and ninepence for one ounce of silver, with interest at five per cent. per annum, within five years from the date hereof. By order of Assembly, the 8th day of May, 1758."

And those bills, as soon as made, shall be put into the General Treasury for the use and purposes above mentioned, and shall be received from thence for paying the expenses of the present or any other expedition, at the value aforesaid; and that one milled dollar shall, at all times hereafter, be taken in lieu of six shillings of those bills; and the bills so to be made shall be caused to be printed with such devices on the backs and borders as shall be thought fit, and signed and put into the Treasury by Jabez Bowen, Jeremiah Lippitt, Joshua Babcock, Benjamin Nichols, and Joseph Clarke, Esq's, or any three of them.

And for the calling in and redeeming the bills to be emitted in consequence of this act, be it further enacted, That a rate or rates be assessed on the in-

habitants of this Colony in such time that it may be collected and brought into the Treasury in due season to redeem the whole of the said bills, together with the interest arising upon the same, within five years from the day of their dates: and that the whole of the rate or rates to be made for that purpose shall be made in the same bills now ordered to be emitted, or in silver, at the rate of six shillings and ninepence for every ounce, or in gold, at a proportionable value, or in milled dollars, at the rate aforesaid: and the gold and silver by those means drawn into the Treasury, shall be immediately applied to redeem the outstanding bills to be by this act emitted."

In the year 1759, for defraying the expence of the men raised for his Majesty's service in the same year, the Colony issued twenty thousand pounds in bills of the same tenor, and of equal value with those emitted the year before; and these bills have been wholly called in and burnt.

In the year 1760, for the same purpose, the Colony issued twenty-seven thousand pounds in bills in the same manner. These bills are redeemable within

the next year from this time and provision is already made for bringing in ten thousand pounds thereof, including interest, but the Colony is not able to sink the remainder by the time it ought to be sunk, any otherwise than by taking up money upon loan for redeeming the bills.

Lastly, in the year 1762, for the carrying on the war, the Colony issued thirteen thousand pounds in bills in the same manner, which will be redeemable in the year 1767.

The whole of the bills emitted on this plan have at all times fully kept their value, their only defect seeming to be that they carry too high an interest, which occasions their being hoarded, and thereby not answering the end of a medium.

By this state it appears that there are now circulating in this Colony in bills issued for carrying on the war, forty thousand pounds, equal to thirty thousand pounds sterling, about two-thirds of which sum must be called in and sunk in a year; after which thirteen thousand pounds only of the bills issued for the expence of the war will be circulating: these, together with the small remainder of Old

Tenor bills that will be outstanding, will come to a final end in the year 1767.

Besides the bills emitted as aforesaid, this Colony is largely in debt for money hired of private persons during the course of the war; and this debt is the greater because it has received nothing for its expences incurred in support of the war in the year 1756, which was reimbursed the other Colonies by Parliament.

In a Colony where the constant demand for remittances to the mother country makes it impossible for silver and gold to continue, what will be the medium and instrument of commerce where paper bills are at an end, we know not.

This is a true state of the paper bills of credit in the Colony of Rhode Island, and is humbly submitted to your Lordship's consideration by the Governor and Company thereof.

Rhode Island, Oct. 30, 1764.

And the foregoing state of the paper bills of this Colony being duly considered, it is voted and resolved, That the same be and hereby is approved,

and that his Honor, the Governor, be requested to sign and transmit two copies of the same to the Lords' Commissioners for Trade and the Plantations, by the first opportunities.¹

1. The preceding Report was prepared by Gov. Stephen Hopkins, Nicholas Tillinghast, Darius Session, Daniel Jenckes, Esqrs. and Mr. Moses Brown.



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